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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

August 8, 2017

Company name: TOSHIBA TEC CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6588 URL <http://www.toshibatec.co.jp/>
 Representative: President and CEO Takayuki Ikeda
 Inquiries: Senior Manager of Corporate Communications Division Takashi Mizuno TEL 03-6830-9151
 Scheduled date to file Quarterly Securities Report: August 10, 2017
 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, 2017 (from April 1, 2017 to June 30, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2017	115,662	(3.8)	3,363	123.0	3,052	79.4	1,459	384.1
Three months ended June 30, 2016	120,183	(5.4)	1,508	–	1,701	–	301	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2017	5.31		5.30	
Three months ended June 30, 2016	1.09		1.09	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of June 30, 2017	268,008		77,614		25.0	
As of March 31, 2017	269,393		76,047		24.3	

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, 2017	–	0.00	–	2.00	2.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	2.00	–	2.00	4.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		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, 2017	233,000	(4.3)	5,000	(22.4)	3,500	(53.7)	1,500	(65.2)	5.46
Full year	490,000	(1.5)	16,000	9.2	13,000	3.7	6,000	(22.7)	21.84

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
 (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: Yes
- (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, 2017	288,145,704 shares	As of March 31, 2017	288,145,704 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	13,425,068 shares	As of March 31, 2017	13,414,545 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, 2017	274,726,907 shares	Three months ended June 30, 2016	274,638,923 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	46,129	51,094
Notes and accounts receivable - trade	63,769	51,793
Merchandise and finished goods	32,849	36,454
Work in process	1,629	2,335
Raw materials and supplies	6,100	7,091
Other	40,460	40,236
Allowance for doubtful accounts	(2,572)	(2,336)
Total current assets	188,367	186,668
Non-current assets		
Property, plant and equipment	29,068	29,410
Intangible assets		
Goodwill	6,053	5,541
Other	8,263	8,228
Total intangible assets	14,317	13,770
Investments and other assets		
Other	38,295	38,851
Allowance for doubtful accounts	(655)	(692)
Total investments and other assets	37,640	38,159
Total non-current assets	81,026	81,339
Total assets	269,393	268,008

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	61,860	59,372
Short-term loans payable	1,048	723
Income taxes payable	5,485	3,853
Other	74,681	75,957
Total current liabilities	143,076	139,906
Non-current liabilities		
Net defined benefit liability	35,066	35,342
Other	15,203	15,145
Total non-current liabilities	50,269	50,487
Total liabilities	193,346	190,394
Net assets		
Shareholders' equity		
Capital stock	39,970	39,970
Capital surplus	11	12
Retained earnings	19,722	20,632
Treasury shares	(5,488)	(5,490)
Total shareholders' equity	54,217	55,125
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,581	1,942
Deferred gains or losses on hedges	(6)	6
Foreign currency translation adjustment	8,927	9,120
Amount of minimum pension debt adjustment	(720)	(753)
Remeasurements of defined benefit plans	1,407	1,507
Total accumulated other comprehensive income	11,189	11,823
Subscription rights to shares	104	100
Non-controlling interests	10,537	10,565
Total net assets	76,047	77,614
Total liabilities and net assets	269,393	268,008

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	120,183	115,662
Cost of sales	68,192	67,991
Gross profit	51,990	47,671
Selling, general and administrative expenses	50,481	44,307
Operating profit	1,508	3,363
Non-operating income		
Interest income	63	147
Dividend income	22	21
Gain on sales of non-current assets	158	–
Foreign exchange gains	–	422
Gain on valuation of derivatives	587	–
Other	44	64
Total non-operating income	876	656
Non-operating expenses		
Interest expenses	183	146
Foreign exchange losses	150	–
Loss on valuation of derivatives	–	452
Other	348	368
Total non-operating expenses	683	967
Ordinary profit	1,701	3,052
Extraordinary losses		
Restructuring cost	334	42
Total extraordinary losses	334	42
Profit before income taxes	1,367	3,009
Income taxes	1,975	1,556
Profit (loss)	(608)	1,453
Loss attributable to non-controlling interests	(910)	(6)
Profit attributable to owners of parent	301	1,459

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit (loss)	(608)	1,453
Other comprehensive income		
Valuation difference on available-for-sale securities	(257)	362
Deferred gains or losses on hedges	(65)	13
Foreign currency translation adjustment	(8,333)	228
Minimum pension adjustment	24	(32)
Remeasurements of defined benefit plans, net of tax	257	101
Total other comprehensive income	(8,373)	672
Comprehensive income	(8,982)	2,126
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,889)	2,093
Comprehensive income attributable to non-controlling interests	(2,092)	32