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

October 29, 2014

Company name: TOSHIBA TEC CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6588 URL <http://www.toshibatec.co.jp/>
 Representative: President and CEO Takayuki Ikeda
 Senior Manager of Corporate Communications Division
 Inquiries: Takashi Mizuno TEL 03-6830-9151
 Scheduled date to file Quarterly Securities Report: November 13, 2014
 Scheduled date to commence dividend payments: December 1, 2014
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 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	%
Six months ended September 30, 2014	256,292	6.1	12,218	15.0	9,957	2.0	5,148	32.3
Six months ended September 30, 2013	241,623	31.3	10,628	10.6	9,765	14.2	3,891	3.4

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended September 30, 2014	18.75		18.72	
Six months ended September 30, 2013	14.18		14.15	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2014	410,009	199,740	41.7
As of March 31, 2014	393,964	185,429	40.2

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	–	4.00	–	4.00	8.00
Year ending March 31, 2015	–	6.00			
Year ending March 31, 2015 (Forecast)			–	7.00	13.00

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	520,000	4.2	28,000	21.3	26,000	29.6	12,000	68.2	43.72

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: 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: 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 September 30, 2014	288,145,704 shares	As of March 31, 2014	288,145,704 shares
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Number of treasury shares at the end of the period

As of September 30, 2014	13,535,688 shares	As of March 31, 2014	13,699,523 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2014	274,528,718 shares	Six months ended September 30, 2013	274,397,241 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Current assets		
Cash and deposits	18,573	18,766
Deposit Paid In Subsidiaries And Affiliates	28,835	37,900
Notes and accounts receivable – trade	88,527	88,218
Merchandise and finished goods	32,970	34,046
Work in process	2,324	2,213
Raw materials and supplies	6,740	6,932
Other	45,560	46,608
Allowance for doubtful accounts	(1,317)	(1,443)
Total current assets	222,215	233,243
Non-current assets		
Property, plant and equipment	33,315	34,405
Intangible assets		
Goodwill	39,600	38,434
Other	59,063	65,057
Total intangible assets	98,664	103,491
Investments and other assets		
Other	39,774	38,894
Allowance for doubtful accounts	(153)	(150)
Total investments and other assets	39,621	38,743
Total non-current assets	171,601	176,640
Deferred assets	147	125
Total assets	393,964	410,009

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Liabilities		
Current liabilities		
Notes and accounts payable – trade	75,673	81,854
Short-term loans payable	1,053	909
Income taxes payable	3,769	4,790
Other	74,944	76,107
Total current liabilities	155,440	163,661
Non-current liabilities		
Net defined benefit liability	41,358	36,256
Other	11,735	10,350
Total non-current liabilities	53,094	46,606
Total liabilities	208,535	210,268
Net assets		
Shareholders' equity		
Capital stock	39,970	39,970
Capital surplus	52,970	52,965
Retained earnings	65,422	73,052
Treasury shares	(5,585)	(5,521)
Total shareholders' equity	152,778	160,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	987	1,287
Deferred gains or losses on hedges	(4)	65
Foreign currency translation adjustment	6,693	11,221
Amount of minimum pension debt adjustment	(55)	(144)
Remeasurements of defined benefit plans	(2,179)	(1,812)
Total accumulated other comprehensive income	5,442	10,618
Subscription rights to shares	130	116
Minority interests	27,078	28,539
Total net assets	185,429	199,740
Total liabilities and net assets	393,964	410,009

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Net sales	241,623	256,292
Cost of sales	136,346	144,546
Gross profit	105,277	111,746
Selling, general and administrative expenses	94,648	99,527
Operating income	10,628	12,218
Non-operating income		
Interest income	203	201
Dividend income	20	22
Gain on valuation of derivatives	142	280
Reversal of allowance for doubtful accounts	294	–
Other	258	164
Total non-operating income	920	668
Non-operating expenses		
Interest expenses	274	265
Loss on sales and retirement of non-current assets	240	23
Foreign exchange losses	384	1,454
Other	884	1,186
Total non-operating expenses	1,783	2,930
Ordinary income	9,765	9,957
Extraordinary losses		
Restructuring cost	1,140	602
Total extraordinary losses	1,140	602
Income before income taxes and minority interests	8,625	9,354
Income taxes	4,748	4,000
Income before minority interests	3,876	5,354
Minority interests in income (loss)	(15)	205
Net income	3,891	5,148

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	3,876	5,354
Other comprehensive income		
Valuation difference on available-for-sale securities	153	300
Deferred gains or losses on hedges	–	69
Foreign currency translation adjustment	3,461	6,237
Minimum Pension Liability Adjustment	13	(96)
Remeasurements of defined benefit plans, net of tax	–	367
Total other comprehensive income	3,628	6,879
Comprehensive income	7,504	12,233
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,122	10,324
Comprehensive income attributable to minority interests	382	1,908

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	8,625	9,354
Depreciation	10,330	9,690
Increase (decrease) in allowance for doubtful accounts	(126)	94
Increase (decrease) in provision for retirement benefits	86	–
Increase (decrease) in net defined benefit liability	–	488
Interest and dividend income	(224)	(223)
Interest expenses	274	265
Loss (gain) on sales and retirement of property, plant and equipment	240	23
Restructuring cost	1,140	602
Decrease (increase) in notes and accounts receivable – trade	2,312	3,051
Decrease (increase) in inventories	27	(131)
Increase (decrease) in notes and accounts payable – trade	(10,394)	2,746
Other, net	(6,192)	(5,793)
Subtotal	6,100	20,168
Interest and dividend income received	138	219
Interest expenses paid	(278)	(302)
Income taxes paid	(3,050)	(3,324)
Net cash provided by (used in) operating activities	2,910	16,761
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,235)	(2,909)
Proceeds from sales of property, plant and equipment	22	69
Purchase of intangible assets	(3,103)	(6,924)
Purchase of investment securities	(6)	(6)
Net decrease (increase) in short-term loans receivable	(12)	3,467
Payments of long-term loans receivable	(14)	(7)
Collection of long-term loans receivable	7	7
Payments for transfer of business	(21,764)	–
Other, net	(255)	55
Net cash provided by (used in) investing activities	(28,362)	(6,248)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(444)	(115)
Repayments of finance lease obligations	(1,414)	(1,424)
Purchase of treasury shares	(15)	(8)
Cash dividends paid	(1,097)	(1,096)
Cash dividends paid to minority shareholders	(22)	(492)
Other, net	77	66
Net cash provided by (used in) financing activities	(2,917)	(3,069)
Effect of exchange rate change on cash and cash equivalents	2,874	1,814
Net increase (decrease) in cash and cash equivalents	(25,495)	9,258
Cash and cash equivalents at beginning of period	72,031	47,409
Cash and cash equivalents at end of period	46,536	56,667