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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

August 5, 2016

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 12, 2016
 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, 2016 (from April 1, 2016 to June 30, 2016)

(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, 2016	120,183	(5.4)	1,508	–	1,701	–	301	–
Three months ended June 30, 2015	127,023	5.1	(1,237)	–	(2,071)	–	(4,818)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2016	1.09	1.09
Three months ended June 30, 2015	(17.54)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2016	256,814	61,371	19.7
As of March 31, 2016	281,615	70,359	20.4

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, 2016	–	0.00	–	0.00	0.00
Year ending March 31, 2017	–	–	–	–	–
Year ending March 31, 2017 (Forecast)	–	0.00	–	–	–

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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, 2016	253,000	(4.4)	4,000	–	2,000	–	(2,000)	–	(7.28)
Full year	520,000	(2.4)	14,000	873.9	10,000	–	500	–	1.82

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016
 (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, 2016	288,145,704 shares	As of March 31, 2016	288,145,704 shares
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Number of treasury shares at the end of the period

As of June 30, 2016	13,508,072 shares	As of March 31, 2016	13,505,268 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, 2016	274,638,923 shares	Three months ended June 30, 2015	274,579,489 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	22,217	33,331
Notes and accounts receivable - trade	76,470	58,024
Merchandise and finished goods	38,468	37,936
Work in process	1,960	2,178
Raw materials and supplies	6,428	6,452
Other	51,922	40,298
Allowance for doubtful accounts	(2,774)	(2,501)
Total current assets	194,694	175,720
Non-current assets		
Property, plant and equipment	31,345	29,122
Intangible assets		
Goodwill	8,633	7,496
Other	8,307	7,594
Total intangible assets	16,940	15,090
Investments and other assets		
Other	38,637	36,898
Allowance for doubtful accounts	(61)	(65)
Total investments and other assets	38,576	36,833
Total non-current assets	86,862	81,046
Deferred assets	59	47
Total assets	281,615	256,814

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	71,175	62,826
Short-term loans payable	3,407	1,460
Accounts payable - other	29,557	28,993
Income taxes payable	3,643	1,754
Other	50,819	49,916
Total current liabilities	158,604	144,949
Non-current liabilities		
Net defined benefit liability	38,687	38,194
Other	13,965	12,298
Total non-current liabilities	52,652	50,493
Total liabilities	211,256	195,443
Net assets		
Shareholders' equity		
Capital stock	39,970	39,970
Capital surplus	52,970	52,970
Retained earnings	(41,006)	(40,705)
Treasury shares	(5,523)	(5,524)
Total shareholders' equity	46,411	46,712
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,476	1,219
Deferred gains or losses on hedges	71	5
Foreign currency translation adjustment	11,740	4,595
Amount of minimum pension debt adjustment	(461)	(444)
Remeasurements of defined benefit plans	(1,857)	(1,600)
Total accumulated other comprehensive income	10,969	3,777
Subscription rights to shares	116	116
Non-controlling interests	12,862	10,765
Total net assets	70,359	61,371
Total liabilities and net assets	281,615	256,814

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, 2015	Three months ended June 30, 2016
Net sales	127,023	120,183
Cost of sales	73,058	68,192
Gross profit	53,965	51,990
Selling, general and administrative expenses	55,202	50,481
Operating income (loss)	(1,237)	1,508
Non-operating income		
Interest income	146	63
Dividend income	24	22
Gain on sales of non-current assets	–	158
Foreign exchange gains	833	–
Gain on valuation of derivatives	–	587
Other	136	44
Total non-operating income	1,140	876
Non-operating expenses		
Interest expenses	167	183
Foreign exchange losses	–	150
Loss on valuation of derivatives	1,197	–
Other	609	348
Total non-operating expenses	1,974	683
Ordinary income (loss)	(2,071)	1,701
Extraordinary losses		
Impairment loss	465	–
Restructuring cost	59	334
Total extraordinary losses	524	334
Profit (loss) before income taxes	(2,595)	1,367
Income taxes	1,832	1,975
Loss	(4,428)	(608)
Profit (loss) attributable to non-controlling interests	390	(910)
Profit (loss) attributable to owners of parent	(4,818)	301

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Loss	(4,428)	(608)
Other comprehensive income		
Valuation difference on available-for-sale securities	287	(257)
Deferred gains or losses on hedges	(7)	(65)
Foreign currency translation adjustment	3,185	(8,333)
Minimum pension liability adjustment	(22)	24
Remeasurements of defined benefit plans, net of tax	156	257
Total other comprehensive income	3,600	(8,373)
Comprehensive income	(827)	(8,982)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,763)	(6,889)
Comprehensive income attributable to non-controlling interests	935	(2,092)