To begin, we would like to express our thanks for the continued understanding and support of our investors and all of Tokyo Electron’s stakeholders. Looking back at 2015, the global economy continued to gradually recover, although economic growth in China and other emerging countries slowed. In the electronics industry, demand grew for higher capacity memory for mobile devices as well as for semiconductors used in data centers, reflecting the further sophistication of mobile devices and spread of cloud services. Capital investment by semiconductor manufacturers was firm, driven by the dawning internet of things as well as such new forms of memory as 3D structure devices and cutting-edge logic semiconductors.

In this environment, Tokyo Electron’s consolidated net sales grew 8% to ¥663.9 billion for fiscal 2016, ended March 31, 2016. Consolidated operating income rose 33% year on year to ¥116.8 billion, and ROE rose from 11.8% in the previous fiscal year to 13.0%. We paid annual dividends of ¥237 per share, surpassing the fiscal 2015 annual dividend, which had been our highest ever. Tokyo Electron also repurchased and cancelled treasury stock (8.53% of issued shares before the cancellation) to further increase shareholder returns.

In terms of business strategy, we formulated a new medium-term management plan comprising growth strategies aimed at reaching world-class profitability. Strengthening of product competitiveness, responsiveness to customer needs and the profit structure are pillars of the plan. In fiscal 2020, assuming a wafer fab equipment market of US$37 billion, we aim for consolidated net sales of ¥900 billion, a consolidated operating margin of 25% and ROE of 20%. To help us achieve the goals of the medium-term plan, we established the Tokyo Electron Corporate Governance Guidelines as our policy for building a proactive corporate governance system. With this and other efforts, in fiscal 2016, we took strong first steps toward our goal of achieving world-class profitability.

Our medium-term vision is to be a truly global company generating high added value and profits in the semiconductor and flat panel display industries through innovative technologies and groundbreaking proactive solutions that integrate diverse technologies. In line with this vision, we will focus our full energies on continuously increasing our corporate value. We look forward to your continued support and confidence as we advance these endeavors.

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