

Name of the Company:	Tokyo Electron Limited
Name of the Representative:	Toshiki Kawai President & CEO (Representative Director)
	(Code No.8035; The First Section of the Tokyo Stock Exchange)
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Notice of Difference between Consolidated Financial Forecast and Results for the First Six Months of the Fiscal Year Ending March 31, 2017, Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2017, Payment of Interim Dividends from Surplus Earnings (for the First Half of the Fiscal Year Ending March 31, 2017) and Revision of Dividends Forecast

Tokyo Electron Ltd. (TEL) announced the difference between the consolidated financial forecast and results for the first six months of the fiscal year ending March 31, 2017 disclosed on May 12, 2016 and revision of consolidated financial forecast for the fiscal year ending March 31, 2017.

TEL also announced that on October 28, 2016, its Board of Directors had passed a resolution to pay interim dividends from surplus earnings (for the first half of the fiscal year ending March 31, 2017) to shareholders of record as of September 30, 2016 and revised the year-end dividends forecast in conjunction with the revision of the consolidated financial forecasts.

1. Difference between consolidated financial forecast and results for the first six months of the fiscal year ending March 31, 2017, and revision of consolidated financial forecast for the fiscal year ending March 31, 2017

(1) Difference between consolidated financial forecast and results for the first six months of the fiscal year ending March 31, 2017 (April 1, 2016 - September 30, 2016)

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income attributable to owners of parent (Millions of yen)	Net income per share(Yen)
Previous forecast (A)	330,000	49,000	49,000	29,000	176.79
Results (B)	352,722	60,012	62,365	41,966	255.83
Change(B-A)	22,722	11,012	13,365	12,966	
Change ratio(%)	6.9	22.5	27.3	44.7	
Results for the six months ended September 30, 2015	340,951	61,250	62,384	41,376	238.10

(2) Consolidated financial forecast revision for the fiscal year ending March 31, 2017 (April 1, 2016 - March 31, 2017)

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income attributable to owners of parent (Millions of yen)	Net income per share(Yen)
Previous forecast (A)	714,000	124,000	124,000	85,000	518.18
Revised forecast (B)	762,000	140,000	142,000	100,000	609.57
Change(B-A)	48,000	16,000	18,000	15,000	
Change ratio(%)	6.7	12.9	14.5	17.6	
Results for the year ended March 31, 2016	663,948	116,788	119,399	77,891	461.10

(3) Reason for difference and revision

Orders of our core semiconductor production equipment generally showed strength and the profit ratio improved by increased net sales. As a result, financial results for the first six months of the fiscal year ending March 31, 2017 exceeded previously announced forecast. The financial forecast for the fiscal year ending March 31, 2017 has been revised up, as we expect market condition performs strong continuously in light of our current orders.

2. Payment of interim dividends from surplus earnings (for the first half of the fiscal year ending March 31, 2017) and dividends forecast revision

(1) Details of dividend payments

	Amount resolved to be paid	Previous forecast (announced on May 12, 2016)	Dividends paid in previous fiscal year (first half of the fiscal year ended March 2016)
Shareholder registration date	September 30, 2016	September 30, 2016	September 30, 2015
Dividends per share	128.00 Yen	89.00 Yen	125.00 Yen
Total dividends paid	20,999 Million Yen	—	20,823 Million Yen
Date dividends start to be paid	November 28, 2016	—	November 30, 2015
Source of funds to pay dividends	Surplus earnings	—	Surplus earnings

(2) Dividends forecast revision

	Dividend per share		
(Yen)	2Q-end	Year-end	Total
Previous forecast (May 12, 2016)	89.00	171.00	260.00
Revised forecast		177.00	305.00
Results for the year ending March 31, 2017	128.00		
Results for the year ended March 31, 2016	125.00	112.00	237.00

(3)Reason

The dividend policy of TEL is to link dividend payments to business performance on an ongoing basis. Its basic policy for returning profits to shareholders is to maintain a payout ratio of around 50% based on consolidated net income attributable to owners of parent. The consolidated results for the first half of the current fiscal year announced today showed an increase compared to the previous forecast, and consequently, the dividends for the first half was revised upward.

Also TEL revised the year-end dividends forecast per share in conjunction with the revision of our consolidated financial forecasts as above.

Note: The financial forecasts and estimates stated in this announcement are based on certain assumptions judged to be reasonable by TEL in light of information currently available concerning economic conditions in Japan and overseas, fluctuations in foreign exchange rates, and other factors that may have an impact on performance. TEL does not promise that the forecasts or estimates will be accurate.

They are therefore susceptible to the impact of many uncertainties, including market conditions, competition, the launching of new products (and their success or failure), and global conditions in the semiconductor related industry. Consequently, actual sales and profits may differ substantially from the projections stated in this announcement.