

May 12, 2017

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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Summary of Results of Evaluation of the Effectiveness of Tokyo Electron's Board of Directors

Based on the Tokyo Electron Corporate Governance Guidelines, Tokyo Electron (TEL) has discussed and evaluated the effectiveness of the Company's Board of Directors from June 2016 to April 2017. A summary of the results of this evaluation is provided below.

1. Method of evaluation of effectiveness

We conducted a survey of all Corporate Directors and Audit & Supervisory Board Members regarding the effectiveness of the Board of Directors, the Nomination Committee, and the Compensation Committee, and received responses. In addition to the results of this survey, we discussed and exchanged opinions regarding effectiveness with Outside Directors and Outside Audit & Supervisory Board Members, shared this with the full Board of Directors, and conducted an evaluation regarding the effectiveness of TEL's Board of Directors.

2. Results of analysis and evaluation of effectiveness of Board of Directors

The CEO and the Executive Directors regularly present reports at the Board of Directors meeting and set themes for debate concerning various Board of Directors-related issues that were evident when formulating the FY2015 Corporate Governance Guidelines. This elicits active discussion with different perspectives from Corporate Directors and Audit & Supervisory Board Members with a variety of views and experience. Moreover, in terms of the effectiveness of measuring proposals and decision-making, the Board of Directors has been able to engage in open-minded exchanges of opinions and constructive and substantive debate. For example, after sufficiently discussing draft proposals put forward by executive management based on the opinions of outside members within the Board of Directors, not only has the Board of Directors approved draft proposals put forward by executive management, but on some occasions, revised proposals have been approved.

Based on such situational awareness, we concluded that the Board is appropriately fulfilling the role of the Board of Directors, namely, "Setting the direction of the management strategy and vision" and "Making major operational decisions based on strategic direction," as prescribed in the TEL Corporate Governance Guidelines, and is functioning effectively.

3. Challenges and policies going forward

The Board of Directors will strive to broaden and deepen discussions to improve the effectiveness of the Board of Directors, in light of the understanding gained through this effectiveness evaluation. For example, we will strive to increase the time secured for debate in relation to the Group's direction and strategy as it relates to important business issues and matters such as the medium to long-term business strategy and growth strategy, while also enhancing opportunities for Outside Directors and Outside Audit & Supervisory Board Members to debate and provide their views. Furthermore, the Board of Directors will continue to discuss and investigate the composition and management of the Board of Directors, being mindful of diversity.