

May 11, 2018

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)
Person to contact: Tatsuya Aso
Vice President of General Affairs Dept.
(Tel: 03-5561-7000)

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

In order to further enhance the governance of Tokyo Electron (TEL) and the effectiveness of its Board of Directors, the Company discussed and evaluated the effectiveness of the Company's Board of Directors by reviewing its activities from June 2017 to April 2018. A summary of the results of this evaluation is provided below.

1. Method of evaluation of effectiveness

We conducted a questionnaire 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 as the primary participants, 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

At the Board of Directors meetings, active discussions take place among Corporate Directors and Audit & Supervisory Board Members with a variety of views and experience. Regarding important matters, frank discussions are held and careful consideration is given by the examination from the various perspective including risks. Moreover, focused discussions on topics related to management strategy and vision are conducted in offsite meetings held at venues away from the regular meeting place of the Board of Directors. Meanwhile, with regard to each of the Board of Director's internal committees, the Nomination Committee reported to the Board on activities based on succession plans, and the Compensation Committee submitted proposals to the Board on a compensation system that would increase links with medium term performance.

Based on this situation, we have concluded that the Board is appropriately fulfilling the role of the Board of Directors, namely, "indicating management strategy and vision" and "making major operational decisions based on strategic direction," as prescribed in the TEL Corporate Governance Guidelines, and that the Board of Directors, including the Nomination Committee and the Compensation Committee, is functioning in an effective manner.

3. Challenges and policies going forward

In order to broaden and deepen discussions related to matters such as the medium-and-long term vision and a strategy for growth of the Tokyo Electron Group, the Board of Directors will continue to strive to provide adequate time for agenda items in addition to resolutions and reporting. Moreover, the Board of Directors will strive to make it possible for appropriate significant decisions to be made based on a rich diversity of opinions resulting from creating frequent opportunities for the exchange of views and discussions with Outside Directors and Outside Audit & Supervisory Board Members as the primary participants.

Moreover, the Board of Directors will continue to investigate adjusting the ratio of Outside Directors and having the composition of the Board of Directors reflect diversity in terms of gender and nationality.