



May 14, 2018

Company name: TOKYO ELECTRON DEVICE LIMITED
Representative: Atsushi Tokushige
President & Representative Director
(TSE First Section, Stock Exchange Code: 2760)
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Announcement of the Absorption-type Merger (Simplified, Short-form Merger) of a Consolidated Subsidiary

TOKYO ELECTRON DEVICE LIMITED (the “Company”) hereby announces that the Company, at its Board of Directors held today, resolved to absorb and merge with PAN ELECTRON LTD. which is a consolidated subsidiary of the Company (the “Merger”), with the effective date of July 1, 2018, as per the following.

However, because the Merger is a simplified merger of the Company’s wholly-owned subsidiary, the disclosure of certain matters and contents is omitted.

1. Purpose of the Merger

The purpose of the Merger is to cope with changes in the business environment surrounding the Group by improving management efficiency of the electronic components business and concentrating the management resources.

2. Summary of the Merger

(1) Merger schedule

Date of resolution of the Board of Directors: May 14, 2018
Date of conclusion of agreement: May 14, 2018
Planned Date of the Merger (Effective date): July 1, 2018

Note: Neither of the merging companies will hold their respective general shareholders’ meeting for approval of the Merger because it is a simplified merger provided in Article 796, Paragraph 2 of the Companies Act for the Company as the surviving company and a short-form merger provided in Article 784, Paragraph 1 of the Companies Act for PAN ELECTRON LTD. as the absorbed company.

(2) Merger method

The Merger will be an absorption-type merger with the Company as surviving company and PAN ELECTRON LTD. will be dissolved.

(3) Details of share allotment in relation to the Merger

Because the Company holds all shares outstanding of PAN ELECTRON LTD., there will be no allotment or delivery of shares, cash or other assets upon the Merger.

- (4) Procedures relating to Share Subscription Rights and Corporate Bonds with Share Subscription Rights of the absorbed company
Not applicable.

3. Overview of the Parties to the Merger

	Surviving Company	Absorbed Company
Company Name	TOKYO ELECTRON DEVICE LIMITED	PAN ELECTRON LTD.
Address	1-4, Kinko-cho, Kanagawa-ku, Yokohama City, Kanagawa, Japan	1-4, Kinko-cho, Kanagawa-ku, Yokohama City, Kanagawa, Japan
Representative	Atsushi Tokushige, President & Representative Director	Toshikazu Mishina, President & Representative Director
Business Description	Sales etc. of semiconductor products, embedded software, general electronic components, and board products	Sales etc. of electronic components for semiconductors, etc.
Capital	¥2,495 million	¥50 million
Date of Establishment	March 1986	February 2008
Number of Shares Outstanding	10,445,500 shares	1,000 shares
End of Fiscal Year	March 31	March 31
Major Shareholders and Shareholding Ratio	<div> Tokyo Electron Limited 33.82% Tokyo Electron Device Employee 3.85% Shareholder Association The Master Trust Bank of Japan, Ltd. (Trust Account) 2.83% Japan Trustee Services Bank, Ltd. (Trust Account) 1.85% Trust & Custody Services Bank, Ltd. (Security Investment Trust Account) 1.75% (As of March 31, 2018) </div>	Tokyo Electron Device Limited 100.00%

Operating Results and Financial Condition for the most recent Fiscal Year (Fiscal year ended March 31, 2018)*

Net assets	¥24,401 million	¥595 million
Total assets	¥86,478 million	¥3,908 million
Net assets per share	¥2,354.83	¥595,278.98
Net sales	¥159,841 million	¥26,697 million
Operating income	¥2,755 million	¥606 million
Ordinary income	¥2,637 million	¥545 million
Net income (attributable to owners of parent)	¥1,598 million	¥364 million
Net income per share	¥158.22	¥364,847.39

* Operating results and financial condition for the most recent fiscal year state the consolidated accounting figures for the surviving company, and non-consolidated accounting figures for the absorbed company.

4. Status of the Company after the Merger

No changes will be made to the Company's name and location, its representative's titles and name, business description, capital or fiscal year as a result of the Merger.

5. Future Outlook

There will be no impact on the Company's consolidated financial results because the Merger is a merger with a wholly-owned subsidiary of the Company.