



Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2025 (Japanese GAAP)

July 31, 2025

Name of Listed Company: Tokyo Electron Limited Stock Exchange Listing: Tokyo
 Security Code: 8035
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 Scheduled start date of dividends payment: -
 Preparation of supplementary materials for the financial results: Yes
 Earnings release conference: Yes (for investors and analysts)

Note: Amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (Cumulative)

Note: Percentages indicate changes from the same period of the previous fiscal year.

	Three months ended			
	June 30, 2024		June 30, 2025	
		%		%
Net sales (Millions of yen)	555,071	41.7	549,586	(1.0)
Operating income (Millions of yen)	165,733	101.1	144,694	(12.7)
Ordinary income (Millions of yen)	167,398	101.6	147,347	(12.0)
Net income attributable to owners of parent (Millions of yen)	126,189	96.2	117,801	(6.6)
Net income per share of common stock (Yen):				
Basic	273.22		257.13	
Diluted	272.39		256.49	
Comprehensive income:				
Three months ended June 30, 2025:	167,791 million yen,	(16.7)%		
Three months ended June 30, 2024:	201,454 million yen,	102.7%		

(2) Consolidated Financial Position

	As of	
	March 31, 2025	June 30, 2025
Total assets (Millions of yen)	2,625,981	2,509,327
Total net assets (Millions of yen)	1,855,209	1,872,746
Equity ratio (%)	70.1	74.0
Equity:		
1,857,686 million yen (as of June 30, 2025)		
1,839,929 million yen (as of March 31, 2025)		

2. Dividends

	Year ended	Year ending
	March 31, 2025	March 31, 2026 (Forecast)
1Q-end dividends per share (Yen)	-	-
2Q-end dividends per share (Yen)	265.00	245.00
3Q-end dividends per share (Yen)	-	-
Year-end dividends per share (Yen)	327.00	240.00
Annual dividends per share (Yen)	592.00	485.00

Note: Revision to the dividends forecast most recently announced: Yes

Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 5 for further information.

3. Financial Forecasts for the Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

Note: Percentages for year ending March 31, 2026 indicate changes from the previous fiscal year, and those for six months ending September 30, 2025 indicate changes from the same period of the previous fiscal year.

	Six months ending		Year ending	
	September 30, 2025		March 31, 2026	
	(Cumulative)			
		%		%
Net sales (Millions of yen)	1,150,000	2.5	2,350,000	(3.4)
Operating income (Millions of yen)	288,000	(8.3)	570,000	(18.3)
Ordinary income (Millions of yen)	293,000	(8.8)	579,000	(18.2)
Net income attributable to owners of parent (Millions of yen)	224,000	(8.2)	444,000	(18.4)
Net income per share (Yen)	488.93		969.12	

Note: Revision to the financial forecasts most recently announced: Yes

Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 5 for further information.

Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of special accounting methods for preparation of quarterly financial statements: Yes

Please refer to "Notes" on page 11 for further information.

(3) Changes in accounting policies, changes in accounting estimates and restatements

1. Changes in accounting policies along with changes in accounting standards: None

2. Other changes of accounting policies besides the number 1 above: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding (including treasury stock)

As of June 30, 2025: 471,632,733 shares

As of March 31, 2025: 471,632,733 shares

2. Number of shares of treasury stock

As of June 30, 2025: 13,476,990 shares

As of March 31, 2025: 13,522,282 shares

3. Average number of shares outstanding (Cumulative)

Three months ended June 30, 2025: 458,132,543 shares

Three months ended June 30, 2024: 461,854,886 shares

Note: The number of shares of treasury stock includes the Company's shares held by "Executive compensation Board Incentive Plan (BIP) trust" and "share-delivering Employee Stock Ownership Plan (ESOP) trust". (1,383,155 shares as of June 30, 2025, 1,383,155 shares as of March 31, 2025)

In addition, these Company's shares are included in the treasury stock which is deducted in calculating the average number of shares.

* Status of external auditor's quarterly review procedures for attached quarterly consolidated financial statements: None

* Explanation of the appropriate use of financial forecast:

The financial forecasts and estimates in this Summary of Consolidated Financial Results are based on information available to the Company at the time of report issuance and certain assumptions judged to be reasonable by the Company, and therefore are not guarantees of future performance. Consequently, actual results may differ substantially from those described in this Summary of Consolidated Financial Results. Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 5.

The Company plans to hold an online conference for investors and analysts on July 31, 2025.

Supplementary materials to be used at the conference will be posted on the Company's website.

1. Business Results

(1) Overview of Operating Results

With respect to the global economy in the first quarter of the current fiscal year, despite the concerns about increasing geopolitical risks, inflation in Europe and the United States remained around 2% and overall economic conditions were strong.

In the electronics industry, where the Tokyo Electron (TEL) Group operates, there was a sluggish demand for general-purpose semiconductors for automobiles and industry. However, the overall semiconductor market grew, driven by the increasing demand for AI servers used in data centers in conjunction with the spread of generative AI.

Under these circumstances, in the semiconductor production equipment market during the first quarter of the current fiscal year, capital investment in mature generation equipment in China showed signs of slowing compared to the same period of the previous fiscal year. However, there was substantial growth in capital investment in memory and advanced packages for generative AI.

Against the backdrop of the transition to a data-driven society accompanied by the advancement of information and communication technology, the evolution of AI to enhance productivity and create new value, and efforts towards a decarbonized society, the role of semiconductors and their technological innovation are becoming increasingly important. Consequently, the semiconductor production equipment market is also expected to grow even further in the medium- to long-term.

As a result, the consolidated financial results (cumulative) for the first quarter of the current fiscal year were net sales of 549,586 million yen (year-on-year decline of 1.0%), operating income of 144,694 million yen (year-on-year decline of 12.7%), ordinary income of 147,347 million yen (year-on-year decline of 12.0%), and net income attributable to owners of parent of 117,801 million yen (year-on-year decline of 6.6%).

The TEL Group has a single segment of "Semiconductor Production Equipment" and therefore information by segment has been omitted.

(2) Overview of Financial Conditions

Current assets at the end of the first quarter of the current fiscal year were 1,593,227 million yen, a decrease of 207,528 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 92,336 million yen in notes and accounts receivable - trade, and contract assets, a decrease of 68,730 million yen in cash and deposits, a decrease of 59,998 million yen in securities, and an increase of 16,036 in merchandise and finished goods.

Property, plant and equipment increased by 38,623 million yen from the end of the previous fiscal year, to 480,330 million yen.

Intangible assets decreased by 281 million yen from the end of the previous fiscal year, to 35,568 million yen.

Investments and other assets increased by 52,532 million yen from the end of the previous fiscal year, to 400,201 million yen.

As a result, total assets decreased by 116,653 million yen from the end of the previous fiscal year, to 2,509,327 million yen.

Current liabilities decreased by 141,678 million yen from the end of the previous fiscal year, to 536,246 million yen. This was largely due to a decrease of 66,454 million yen in income taxes payable, a decrease of 34,888 million yen in provision for employees' bonuses, a decrease of 23,452 million yen in accrued consumption tax, and a decrease of 17,866 million yen in advances received.

Non-current liabilities increased by 7,487 million yen from the end of the previous fiscal year, to 100,334 million yen.

Net assets increased by 17,537 million yen from the end of the previous fiscal year, to 1,872,746 million yen. This was largely due to an increase of 117,801 million yen resulting from recording net income attributable to owners of parent, an increase of 45,860 million yen in net unrealized gains on available-for-sale securities, an increase of 5,318 million yen in foreign currency translation adjustments, and a decrease resulting from the payment of 150,254 million yen in year-end dividends for the previous fiscal year.

As a result, the equity ratio was 74.0%.

(3) Overview of Cash Flows

Cash and cash equivalents at the end of the first quarter of the current fiscal year decreased by 128,790 million yen compared to the end of the previous fiscal year, to 356,281 million yen. The combined balance including 11,228 million yen in time deposits and short-term investments with maturities of more than three months that are not included in cash and cash equivalents was 367,510 million yen, a decrease of 128,728 million yen from the end of the previous fiscal year. The overall situation regarding cash flows during the first quarter of the current fiscal year was as described below.

Cash flows from operating activities were positive 74,955 million yen, a decrease of 108,823 million yen compared to the same period of the previous fiscal year. The major positive factors were 151,966 million yen in income before income taxes and a decrease of 94,146 million yen in notes and accounts receivable - trade and contract assets. The major negative factors were 99,924 million yen in payment of income taxes, a decrease of 34,995 million yen in provision for employees' bonuses, and a decrease of 23,441 million yen in accrued consumption tax.

Cash flows from investing activities were negative 54,178 million yen compared to negative 37,330 million yen in the same period of the previous fiscal year. This was largely due to the payment of 51,018 million yen for the purchase of property, plant and equipment.

Cash flows from financing activities were negative 151,134 million yen compared to negative 194,433 million yen in the same period of the previous fiscal year. This was largely due to the payment of 150,254 million yen in dividends.

Quarterly Consolidated Statements of Cash Flows (Summary)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities	183,778	74,955
Income before income taxes	167,248	151,966
Depreciation and amortization	13,203	17,159
Decrease (increase) in notes and accounts receivable - trade, and contract assets	37,985	94,146
Decrease (increase) in inventories	5,260	(5,381)
Increase (decrease) in notes and accounts payable - trade	(7,259)	(19,865)
Income taxes refund (paid)	(75,015)	(99,924)
Other, net	42,355	(63,145)
Cash flows from investing activities	(37,330)	(54,178)
Decrease (increase) in time deposits and short-term investments	(10,004)	(0)
Purchase of property, plant and equipment	(25,335)	(51,018)
Other, net	(1,990)	(3,159)
Cash flows from financing activities	(194,433)	(151,134)
Purchase of treasury stock	(79,998)	(0)
Dividends paid	(113,767)	(150,254)
Other, net	(667)	(879)
Effect of exchange rate changes on cash and cash equivalents	3,923	1,565
Net increase (decrease) in cash and cash equivalents	(44,061)	(128,790)
Cash and cash equivalents at beginning of period	461,608	485,072
Cash and cash equivalents at end of period	417,547	356,281
Cash and cash equivalents, time deposits and short-term investments with maturities of more than three months	438,539	367,510

(4) Description of Financial Estimates Information such as Consolidated Financial Forecasts**(i) Consolidated Financial Forecast Revision**

With the transition to a data-driven society following advances in information and communication technology, the evolution of AI aimed at improving productivity and creating new value, and efforts to achieve a decarbonized society, the importance of technological innovation in semiconductors continues to grow. Consequently, the semiconductor production equipment market is expected to keep expanding. However, based on adjustments in capital investment plans by semiconductor manufacturers, we would like to revise the consolidated financial forecasts for the full year ending March 31, 2026 which were announced on April 30, 2025, as follows.

Consolidated Financial Forecasts**for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)**

	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)	2,600,000	727,000	736,000	566,000	1,235.51
Revised Forecast (B)	2,350,000	570,000	579,000	444,000	969.12
Change (B-A)	(250,000)	(157,000)	(157,000)	(122,000)	—
Change Ratio (%)	(9.6)	(21.6)	(21.3)	(21.6)	—
Results for the Year Ended March 31, 2025	2,431,568	697,319	707,727	544,133	1,182.40

(ii) Dividends Forecast Revision

Our dividend policy is to link dividend payments to business performance on an ongoing basis. Our 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. Due to the revision of our consolidated financial forecasts mentioned earlier, we would like to revise the annual dividends forecast from 618 yen per share as announced on April 30, 2025, to 485 yen per share (Interim dividends : 245 yen, Year-end dividends : 240 yen).

(Yen)	Dividends per Share		
	Interim (2Q-End)	Year-End	Total
Previous Forecast	245.00	373.00	618.00
Revised Forecast	245.00	240.00	485.00
Results for the Year Ended March 31, 2025	265.00	327.00	592.00

Note: The financial forecasts and estimates stated in this Summary of Consolidated Financial Results are based on certain assumptions judged to be reasonable by the Company 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. The Company 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 described in this Summary of Consolidated Financial Results.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
ASSETS		
Current assets		
Cash and deposits	416,240	347,510
Notes and accounts receivable - trade, and contract assets	485,626	393,289
Securities	79,998	20,000
Merchandise and finished goods	291,523	307,560
Work in process	190,021	196,658
Raw materials and supplies	267,580	252,886
Other	69,924	75,525
Allowance for doubtful accounts	(160)	(203)
Total current assets	1,800,756	1,593,227
Non-current assets		
Property, plant and equipment	441,706	480,330
Intangible assets		
Other	35,850	35,568
Total intangible assets	35,850	35,568
Investments and other assets		
Investment securities	200,013	267,085
Other	149,057	134,452
Allowance for doubtful accounts	(1,402)	(1,336)
Total investments and other assets	347,668	400,201
Total non-current assets	825,225	916,099
Total assets	2,625,981	2,509,327

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	108,036	90,470
Income taxes payable	109,446	42,991
Advances received	256,392	238,526
Provision for warranty expenses	40,381	38,993
Other provisions	58,350	22,489
Other	105,317	102,775
Total current liabilities	677,925	536,246
Non-current liabilities		
Other provisions	3,030	3,236
Net defined benefit liabilities	56,473	57,693
Other	33,342	39,405
Total non-current liabilities	92,846	100,334
Total liabilities	770,771	636,581
NET ASSETS		
Shareholders' equity		
Common stock	54,961	54,961
Capital surplus	78,011	78,011
Retained earnings	1,783,881	1,750,654
Treasury stock	(277,658)	(276,663)
Total shareholders' equity	1,639,195	1,606,963
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	129,574	175,435
Net deferred gains (losses) on hedging instruments	37	1
Foreign currency translation adjustments	60,801	66,120
Remeasurements of defined benefit plans	10,319	9,166
Total accumulated other comprehensive income (loss)	200,733	250,723
Share subscription rights	15,280	15,059
Total net assets	1,855,209	1,872,746
Total liabilities and net assets	2,625,981	2,509,327

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	555,071	549,586
Cost of sales	291,049	295,616
Gross profit	264,022	253,970
Selling, general and administrative expenses		
Research and development expenses	53,436	62,141
Other	44,852	47,134
Total selling, general and administrative expenses	98,288	109,275
Operating income	165,733	144,694
Non-operating income		
Dividend income	1,344	1,429
Subsidy income	315	1,083
Other	2,009	1,919
Total non-operating income	3,669	4,432
Non-operating expenses		
Foreign exchange losses	1,651	1,683
Other	352	96
Total non-operating expenses	2,004	1,779
Ordinary income	167,398	147,347
Extraordinary income		
Gain of refund of value-added tax	-	4,849
Other	14	24
Total extraordinary income	14	4,873
Extraordinary loss		
Loss on disposal and sales of non-current assets	164	254
Total extraordinary loss	164	254
Income before income taxes	167,248	151,966
Income taxes	41,059	34,165
Net income	126,189	117,801
Net income attributable to owners of parent	126,189	117,801

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	126,189	117,801
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	59,097	45,860
Foreign currency translation adjustments	16,972	5,408
Remeasurements of defined benefit plans	(948)	(1,065)
Share of other comprehensive income of associates accounted for using the equity method	143	(213)
Total other comprehensive income (loss)	75,264	49,990
Comprehensive income	201,454	167,791
Comprehensive income attributable to:		
Owners of parent	201,454	167,791

Notes

Going concern: None

Significant changes in Shareholders' Equity: None

Significant changes in the scope of consolidation during the period: None

Adoption of special accounting methods for preparation of quarterly financial statements: Yes

The Company and part of its consolidated subsidiaries calculate tax expenses by reasonably estimating the annual effective tax rate on income before income taxes after the application of tax effect accounting for the fiscal year, and applying this rate to income before income taxes for the current quarter under review.

Changes in accounting policies, changes in accounting estimates and restatements: None

Quarterly consolidated statements of cash flows

Quarterly consolidated statements of cash flows are not prepared for the three months ended June 30, 2025. "Depreciation and amortization" (including amortization of intangible assets other than goodwill) and "Amortization of goodwill" for the three months ended June 30, 2024 and 2025 are as follows:

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation and amortization	13,203	17,159
Amortization of goodwill	18	99

Segment information

This section has been omitted since TEL Group has a single segment of semiconductor production equipment.