TEL TOKYO ELECTRON

Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2026 (Japanese GAAP)

July 30, 2026

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

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (Cumulative)

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

	Three months ended			
	June 30, 2025		June 30, 2026	
		%		%
Net sales (Millions of yen)	549,586	(1.0)	732,388	33.3
Operating income (Millions of yen)	144,694	(12.7)	211,407	46.1
Ordinary income (Millions of yen)	147,347	(12.0)	215,626	46.3
Net income attributable to owners of parent (Millions of yen)	117,801	(6.6)	164,341	39.5
Net income per share of common stock (Yen):				
Basic	257.13		361.36	
Diluted	256.49		360.15	

Comprehensive income: Three months ended June 30, 2026: 249,188 million yen, 48.5%
Three months ended June 30, 2025: 167,791 million yen, (16.7)%

(2) Consolidated Financial Position

	As of	
	March 31, 2026	June 30, 2026
Total assets (Millions of yen)	2,860,997	2,955,405
Total net assets (Millions of yen)	2,069,996	2,142,901
Equity ratio (%)	71.5	71.7

Equity: 2,118,056 million yen (as of June 30, 2026)
2,046,298 million yen (as of March 31, 2026)

2. Dividends

	Year ended March 31, 2026	Year ending March 31, 2027 (Forecast)
1Q-end dividend per share (Yen)	-	-
2Q-end dividend per share (Yen)	264.00	384.00
3Q-end dividend per share (Yen)	-	-
Year-end dividend per share (Yen)	364.00	-
Annual dividend per share (Yen)	628.00	-

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 4 for further information. The year-end divided for the fiscal year ending March 31, 2027 is undecided at present and is scheduled to be disclosed together with the full-year consolidated financial forecasts at the time of the financial results announcement for the second quarter ending September 30, 2026.

3. Financial Forecasts for the First Half of the Fiscal Year Ending March 31, 2027 (April 1, 2026 to September 30, 2026)

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

	Six months ending September 30, 2026 (Cumulative)	
		%
Net sales (Millions of yen)	1,620,000	37.3
Operating income (Millions of yen)	458,000	51.1
Ordinary income (Millions of yen)	464,000	51.2
Net income attributable to owners of parent (Millions of yen)	349,000	44.4
Net income per share (Yen)	767.51	

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 4 for further information. The full-year financial forecasts are scheduled to be disclosed at the time of the financial results announcement for the second quarter ending September 30, 2026.

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 10 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, 2026:	468,032,733 shares
As of March 31, 2026:	471,632,733 shares

2. Number of shares of treasury stock

As of June 30, 2026:	13,381,537 shares
As of March 31, 2026:	16,783,041 shares

3. Average number of shares outstanding (Cumulative)

Three months ended June 30, 2026:	454,785,263 shares
Three months ended June 30, 2025:	458,132,543 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". (1,308,766 shares as of June 30, 2026, 1,308,766 shares as of March 31, 2026)
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 4.
The Company plans to hold an online conference for institutional investors and analysts on July 30, 2026.
Supplementary materials to be used at the conference will be posted on the Company's website on the same day.
(URL: https://www.tel.com/ir/library/report/)

1. Business Results

(1) Overview of Operating Results

With respect to the global economy in the first quarter of the current fiscal year, inflation has accelerated in Europe and the United States against a backdrop of higher energy prices associated with escalating geopolitical tensions in the Middle East. While it is necessary to closely monitor future macroeconomic trends, the economy overall remained strong.
In the electronics industry, in which the Tokyo Electron (TEL) Group operates, increased demand for AI servers used in data centers drove growth in the overall semiconductor market.
Under the circumstances, in the semiconductor production equipment market, capital investment in semiconductors used for AI applications increased significantly compared with the same period of the previous fiscal year.
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 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 732,388 million yen (year-on-year growth of 33.3%), operating income of 211,407 million yen (year-on-year growth of 46.1%), ordinary income of 215,626 million yen (year-on-year growth of 46.3%), and net income attributable to owners of parent of 164,341 million yen (year-on-year growth of 39.5%).

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 1,803,020 million yen, a decrease of 32,446 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 54,998 million yen in securities, a decrease of 41,644 million yen in cash and deposits, an increase of 38,434 million yen in inventories, and an increase of 18,168 million yen in notes and accounts receivable - trade, and contract assets.
Property, plant and equipment increased by 21,032 million yen from the end of the previous fiscal year, to 610,367 million yen.
Intangible assets increased by 1,189 million yen from the end of the previous fiscal year, to 38,720 million yen.
Investments and other assets increased by 104,632 million yen from the end of the previous fiscal year, to 503,296 million yen.
As a result, total assets increased by 94,407 million yen from the end of the previous fiscal year, to 2,955,405 million yen.
Current liabilities increased by 5,632 million yen from the end of the previous fiscal year, to 684,874 million yen. This was largely due to an increase of 23,834 million yen in advances received, an increase of 16,058 million yen in notes and accounts payable – trade, and a decrease of 45,130 million yen in income taxes payable.
Non-current liabilities increased by 15,870 million yen from the end of the previous fiscal year, to 127,629 million yen.
Net assets increased by 72,905 million yen from the end of the previous fiscal year, to 2,142,901 million yen. This was largely due to an increase of 164,341 million yen resulting from recording net income attributable to owners of parent, an increase of 80,618 million yen in net unrealized gains on available-for-sale securities, a decrease resulting from the payment of 166,041 million yen in year-end dividends for the previous fiscal year, and a decrease resulting from the purchase of treasury stock of 11,478 million yen. As a result, the equity ratio was 71.7%.

(3) Overview of Cash Flows

Cash and cash equivalents at the end of the first quarter of the current fiscal year decreased by 97,000 million yen compared to the end of the previous fiscal year, to 408,413 million yen. The combined balance including 1,194 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 409,608 million yen, a decrease of 96,642 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 118,745 million yen, an increase of 43,790 million yen compared to the same period of the previous fiscal year. The major positive factors were 215,495 million yen in income before income taxes and an increase of 23,564 million yen in advances received. The major negative factors were 100,184 million yen in payment of income taxes, and an increase of 36,269 million yen in inventories.

Cash flows from investing activities were negative 38,520 million yen compared to negative 54,178 million yen in the same period of the previous fiscal year. This was largely due to the payment of 34,304 million yen for the purchase of property, plant and equipment.

Cash flows from financing activities were negative 178,477 million yen compared to negative 151,134 million yen in the same period of the previous fiscal year. This was largely due to the payment of 166,041 million yen in dividends.

Quarterly Consolidated Statements of Cash Flows (Summary)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities	74,955	118,745
Income before income taxes	151,966	215,495
Depreciation and amortization	17,159	22,509
Decrease (increase) in notes and accounts receivable - trade, and contract assets	94,146	(15,368)
Decrease (increase) in inventories	(5,381)	(36,269)
Increase (decrease) in notes and accounts payable - trade	(19,865)	14,727
Income taxes refund (paid)	(99,924)	(100,184)
Other, net	(63,145)	17,836
Cash flows from investing activities	(54,178)	(38,520)
Decrease (increase) in time deposits and short-term investments	(0)	(336)
Purchase of property, plant and equipment	(51,018)	(34,304)
Other, net	(3,159)	(3,879)
Cash flows from financing activities	(151,134)	(178,477)
Purchase of treasury stock	(0)	(11,478)
Dividends paid	(150,254)	(166,041)
Other, net	(879)	(957)
Effect of exchange rate changes on cash and cash equivalents	1,565	1,251
Net increase (decrease) in cash and cash equivalents	(128,790)	(97,000)
Cash and cash equivalents at beginning of period	485,072	505,414
Cash and cash equivalents at end of period	356,281	408,413

Cash and cash equivalents, time deposits and short-term investments with maturities of more than three months	367,510	409,608

(4) Description of Financial Estimates Information such as Consolidated Financial Forecasts

(i) Consolidated Financial Forecast Revision

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

Based on adjustments in capital investment plans by semiconductor manufacturers, we would like to revise the consolidated financial forecasts for the first half of the fiscal year ending March 31, 2027 which were announced on April 30, 2026, as follows. With respect to the earthquake that occurred in Kumamoto Prefecture on July 28, 2026, we

have confirmed that there has been no significant damage to our buildings or facilities, and as of the date of this release, we believe that the impact of the earthquake on our financial results is not material.
The full-year consolidated financial forecasts are scheduled to be disclosed at the time of the financial results announcement for the second quarter ending September 30, 2026.

Consolidated Financial Forecasts
for the First Half of the Fiscal Year Ending March 31, 2027 (April 1, 2026 - September 30, 2026)

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Interim Net Income Attributable to Owners of Parent (Millions of Yen)	Interim net Income per Share (Yen)
Previous Forecast (A)	1,570,000	431,000	437,000	328,000	721.12
Revised Forecast (B)	1,620,000	458,000	464,000	349,000	767.51
Change (B-A)	50,000	27,000	27,000	21,000	—
Change Ratio (%)	3.2	6.3	6.2	6.4	—
Results for the Year Ended March 31, 2026	1,179,668	303,153	306,896	241,626	527.31

(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 interim dividends forecast from 361 yen per share as announced on April 30, 2026, to 384 yen per share.
The year-end dividends forecast for the fiscal year ending March 31, 2027 is undecided at present and is scheduled to be disclosed together with the full-year consolidated financial forecasts at the time of the financial results announcement for the second quarter ending September 30, 2026.

	Dividends per Share		
(Yen)	Interim (2Q-End)	Year-End	Total
Previous Forecast	361.00	—	—
Revised Forecast	384.00	—	—
Results for the Year Ended March 31, 2026	264.00	364.00	628.00

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 presented in this announcement.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
ASSETS		
Current assets		
Cash and deposits	451,252	409,608
Notes and accounts receivable - trade, and contract assets	525,898	544,067
Securities	54,998	-
Merchandise and finished goods	286,052	289,501
Work in process	210,570	240,417
Raw materials and supplies	216,494	221,633
Other	90,389	98,056
Allowance for doubtful accounts	(189)	(264)
Total current assets	1,835,466	1,803,020
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	301,272	312,702
Other, net	288,062	297,664
Total property, plant and equipment	589,335	610,367
Intangible assets		
Other	37,531	38,720
Total intangible assets	37,531	38,720
Investments and other assets		
Investment securities	225,453	343,303
Other	174,575	161,349
Allowance for doubtful accounts	(1,364)	(1,356)
Total investments and other assets	398,664	503,296
Total non-current assets	1,025,530	1,152,384
Total assets	2,860,997	2,955,405

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	127,844	143,902
Income taxes payable	108,992	63,862
Advances received	270,491	294,326
Provision for warranty expenses	40,527	41,192
Other provisions	39,557	27,055
Other	91,829	114,535
Total current liabilities	679,242	684,874
Non-current liabilities		
Other provisions	3,818	3,201
Net defined benefit liabilities	55,642	56,780
Other	52,297	67,647
Total non-current liabilities	111,758	127,629
Total liabilities	791,001	812,503
NET ASSETS		
Shareholders' equity		
Common stock	54,961	54,961
Capital surplus	78,011	78,011
Retained earnings	2,083,371	1,986,059
Treasury stock	(420,660)	(336,437)
Total shareholders' equity	1,795,683	1,782,594
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	147,962	228,581
Net deferred gains (losses) on hedging instruments	(17)	(3)
Foreign currency translation adjustments	86,546	92,280
Remeasurements of defined benefit plans	16,123	14,603
Total accumulated other comprehensive income (loss)	250,614	335,461
Share subscription rights	23,697	24,845
Total net assets	2,069,996	2,142,901
Total liabilities and net assets	2,860,997	2,955,405

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	549,586	732,388
Cost of sales	295,616	389,676
Gross profit	253,970	342,712
Selling, general and administrative expenses		
Research and development expenses	62,141	72,046
Other	47,134	59,257
Total selling, general and administrative expenses	109,275	131,304
Operating income	144,694	211,407
Non-operating income		
Dividend income	1,429	1,158
Subsidy income	1,083	1,952
Other	1,919	1,836
Total non-operating income	4,432	4,947
Non-operating expenses		
Foreign exchange losses	1,683	504
Other	96	224
Total non-operating expenses	1,779	728
Ordinary income	147,347	215,626
Extraordinary income		
Gain on sales of non-current assets	24	15
Gain of refund of value-added tax	4,849	-
Total extraordinary income	4,873	15
Extraordinary loss		
Loss on disposal and sales of non-current assets	254	145
Total extraordinary loss	254	145
Income before income taxes	151,966	215,495
Income taxes	34,165	51,153
Net income	117,801	164,341
Net income attributable to owners of parent	117,801	164,341

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net income	117,801	164,341
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	45,860	80,612
Foreign currency translation adjustments	5,408	5,696
Remeasurements of defined benefit plans	(1,065)	(1,493)
Share of other comprehensive income of associates accounted for using the equity method	(213)	31
Total other comprehensive income (loss)	49,990	84,846
Comprehensive income	167,791	249,188
Comprehensive income attributable to:		
Owners of parent	167,791	249,188

Notes

Going concern: None

Significant changes in Shareholders' Equity: Yes

The Company cancelled a portion of its treasury stock on April 30, 2026, pursuant to the resolution adopted at the Board of Directors meeting held on March 27, 2026. As a result, retained earnings and treasury stock each decreased by 95,470 million yen during the three months ended June 30, 2026.

Also, the Company repurchased shares of its common stock pursuant to the resolution adopted at the Board of Directors meeting held on May 29, 2026. As a result of the share repurchases and other purchases of its common stock, treasury stock increased by 11,478 million yen during the three months ended June 30, 2026.

As of June 30, 2026, retained earnings amounted to 1,986,059 million yen and treasury stock amounted to 336,437 million yen.

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, 2026. "Depreciation and amortization" (including amortization of intangible assets other than goodwill) and "Amortization of goodwill" for the three months ended June 30, 2025 and 2026 are as follows:

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation and amortization	17,159	22,509
Amortization of goodwill	99	88

Segment information

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