

Summary of Consolidated Financial Results

For the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

April 30, 2024

Company name: TOKYO ELECTRON DEVICE LIMITED
 Stock exchange listing: Tokyo Stock Exchange Prime Market (Code 2760)
 URL: <https://www.teldevice.co.jp/eng/>
 Representative: Atsushi Tokushige, President & Representative Director
 Contact: Hiroki Tanaka, Director, Financial Department
 TEL: +81-45-443-4000
 Scheduled date for the general meeting of shareholders: June 19, 2024
 Scheduled date for dividend payment: May 30, 2024

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial highlights for the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	242,888	1.1	15,428	8.4	13,922	11.6	9,986	13.8
Fiscal year ended March 31, 2023	240,350	33.6	14,227	75.0	12,478	70.5	8,778	72.6

(Note) Comprehensive income: Fiscal year ended March 31, 2024 11,222 million yen [19.1%]
 Fiscal year ended March 31, 2023 9,421 million yen [65.0%]

	Basic net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	333.46	—	24.1	9.1	6.4
Fiscal year ended March 31, 2023	294.83	—	25.5	9.9	5.9

(Reference) Share of profit (loss) of entities accounted for using equity method: As of March 31, 2024 166 million yen As of March 31, 2023 149 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Basic net income per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	162,567	46,190	27.7	1,501.09
As of March 31, 2023	143,452	38,997	26.4	1,286.15

(Reference) Equity: As of March 31, 2024 45,042 million yen As of March 31, 2023 37,848 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Net assets per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	301	(2,695)	2,529	6,757
Fiscal year ended March 31, 2023	(12,185)	(199)	13,746	6,442

2. Dividends

	Annual dividends per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	—	145.00	—	210.00	355.00	3,708	40.1	10.2
Fiscal year ended March 31, 2024	—	183.00	—	74.00	—	4,230	40.5	9.7
Fiscal year ending March 31, 2025 (Forecast)	—	52.00	—	65.00	117.00		40.4	

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. The interim dividend per share for the fiscal year ending March 31, 2024 is based on the number of shares before the share split, and the year-end dividend per share for the fiscal year ending March 31, 2024 is based on the number of shares after the share split, and the annual dividend is stated as "—". If the share split is not taken into consideration, the year-end dividend per share for the fiscal year ending March 31, 2024 would be 222.00 yen, and the annual dividend would be 405.00 yen.

3. Consolidated financial forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Ordinary income		Net income attributable to owners of parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024 (cumulative)	110,000	(8.1)	5,500	(12.1)	3,800	(16.5)	126.64
Fiscal year ending March 31, 2025	230,000	(5.3)	12,700	(8.8)	8,700	(12.9)	289.94

*Notes

- (1) Changes of significant subsidiaries during the period : None
- (2) Changes in accounting policies, accounting estimates, and restatements
 - 1) Changes due to revision of accounting standards : None
 - 2) Changes in accounting standards other than 1) : None
 - 3) Changes in accounting estimates : None
 - 4) Restatements : None

- (3) Number of shares outstanding (common stock)

- 1) Number of shares outstanding at the end of the period (including treasury shares):

March 31, 2024	31,336,500 shares
March 31, 2023	31,336,500 shares

- 2) Number of treasury shares at the end of the period:

March 31, 2024	1,330,180 shares
March 31, 2023	1,490,898 shares

- 3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2024	29,948,160 shares
Fiscal year ended March 31, 2023	29,774,556 shares

(Note) The Company has adopted the Directors' Compensation BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust, and the "Trust-Type Employee Shareholding Incentive Plan (E-Ship)", and has included the number of the Company's shares held by each Trust accordingly in the number of treasury shares.

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. The number of shares outstanding at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(Reference) Non-consolidated financial highlights for the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	211,583	2.9	14,277	13.7	12,983	19.3	9,451	23.5
Fiscal year ended March 31, 2023	205,553	35.0	12,553	79.9	10,884	70.5	7,654	140.3

	Basic net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2024	315.60	—
Fiscal year ended March 31, 2023	257.08	—

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Basic net income per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	147,832	36,096	24.4	1,202.95
As of March 31, 2023	129,086	30,280	23.5	1,014.57

(Reference) Equity: As of March 31, 2024 36,096 million yen As of March 31, 2023 30,280 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Net assets per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

* This financial report is outside the scope of an audit procedure by the Certified Public Accountant or the Audit firm.

* Explanation of the appropriate use of finance forecasts and other special notes

The financial forecasts and other estimates herein are based on currently available information and certain assumptions deemed reasonable at time of report issuance. The Company does not guarantee the achievement of these forecasts. Actual operating results may differ significantly from these forecasts due to various factors.

Consolidated Financial Statements and Segment Information

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal Year 2023 (As of Mar. 31, 2023)	Fiscal Year 2024 (As of Mar. 31, 2024)
Assets		
Current assets		
Cash and deposits	6,538	6,867
Notes and accounts receivable - trade, and contract assets	57,737	57,234
Electronically recorded monetary claims - operating	4,801	4,241
Merchandise and finished goods	40,402	53,275
Raw materials	2,680	3,161
Prepaid expenses	17,332	19,416
Other	4,821	7,229
Allowance for doubtful accounts	(4)	(90)
Total current assets	134,309	151,336
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,753	3,799
Accumulated depreciation	(1,547)	(1,649)
Buildings and structures, net	2,205	2,150
Machinery and equipment	487	526
Accumulated depreciation	(333)	(388)
Machinery and equipment, net	154	137
Tools, furniture and fixtures	1,952	2,033
Accumulated depreciation	(1,638)	(1,722)
Tools, furniture and fixtures, net	314	311
Land	586	586
Other	453	499
Accumulated depreciation	(232)	(328)
Other, net	220	171
Total property, plant and equipment	3,481	3,356
Intangible assets	226	2,192
Investments and other assets		
Retirement benefit asset	352	449
Deferred tax assets	4,146	3,867
Other	980	1,689
Allowance for doubtful accounts	(43)	(323)
Total investments and other assets	5,435	5,682
Total non-current assets	9,143	11,231
Total assets	143,452	162,567

(Millions of yen)

	Fiscal Year 2023 (As of Mar. 31, 2023)	Fiscal Year 2024 (As of Mar. 31, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	20,214	22,690
Short-term borrowings	20,949	22,401
Commercial papers	-	5,000
Current portion of long-term borrowings	3	7,000
Income taxes payable	2,827	1,870
Advances received	21,082	23,724
Provision for bonuses	2,706	2,401
Other	2,811	3,947
Total current liabilities	70,595	89,035
Non-current liabilities		
Long-term borrowings	24,700	17,700
Retirement benefit liability	7,626	7,440
Other	1,533	2,201
Total non-current liabilities	33,859	27,341
Total liabilities	104,455	116,377
Net assets		
Shareholders' equity		
Share capital	2,495	2,495
Capital surplus	5,652	5,684
Retained earnings	30,482	36,363
Treasury shares	(1,813)	(1,674)
Total shareholders' equity	36,816	42,869
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	82	129
Deferred gains or losses on hedges	(136)	124
Foreign currency translation adjustment	973	1,744
Remeasurements of defined benefit plans	111	174
Total accumulated other comprehensive income	1,031	2,172
Non-controlling interests	1,148	1,148
Total net assets	38,997	46,190
Total liabilities and net assets	143,452	162,567

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Fiscal Year 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Net sales	240,350	242,888
Cost of sales	206,106	205,720
Gross profit	34,243	37,168
Selling, general and administrative expenses		
Salaries and allowances	7,129	7,463
Provision for bonuses	2,573	2,329
Retirement benefit expenses	646	712
Provision for share based compensation expenses for employees	216	273
Provision for director's share-based compensation	206	219
Provision of allowance for doubtful accounts	(2)	367
Other	9,247	10,373
Total selling, general and administrative expenses	20,016	21,739
Operating income	14,227	15,428
Non-operating income		
Interest income	10	59
Dividend income of insurance	43	42
Share of profit of entities accounted for using equity method	149	166
Compensation for damage income	-	91
Other	64	55
Total non-operating income	268	414
Non-operating expenses		
Interest expenses	171	228
Foreign exchange losses	1,751	1,609
Other	93	83
Total non-operating expenses	2,016	1,920
Ordinary income	12,478	13,922
Extraordinary income		
Gain on sales of investment securities	-	4
Total extraordinary income	-	4
Extraordinary losses		
Loss on sales of non-current assets	-	0
Loss on retirement of non-current assets	2	5
Provision of allowance for doubtful accounts of golf club membership	0	-
Loss on valuation of golf club membership	5	-
Loss on change in equity	-	32
Total extraordinary losses	8	38
Net income before income taxes	12,469	13,887
Income taxes - current	3,938	3,641
Income taxes - deferred	(347)	164
Total income taxes	3,590	3,806
Net income	8,879	10,081
Net income attributable to non-controlling interests	100	94
Net income attributable to owners of parent	8,778	9,986

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal Year 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Net income	8,879	10,081
Other comprehensive income		
Valuation difference on available-for-sale securities	28	47
Deferred gains or losses on hedges	19	260
Foreign currency translation adjustment	377	746
Remeasurements of defined benefit plans, net of tax	107	62
Share of other comprehensive income of entities accounted for using equity method	9	23
Total other comprehensive income	541	1,140
Comprehensive income	9,421	11,222
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,320	11,127
Comprehensive income attributable to non-controlling interests	100	94

(3) Consolidated Statements of Changes in Shareholders' equity

Fiscal Year 2023 (Apr. 1, 2022 to Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,495	5,652	24,262	(1,947)	30,463
Changes during period					
Dividends of surplus			(2,559)		(2,559)
Net income attributable to owners of parent			8,778		8,778
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				134	134
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	6,219	134	6,353
Balance at end of current period	2,495	5,652	30,482	(1,813)	36,816

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	54	(155)	586	4	489	1,065	32,018
Changes during period							
Dividends of surplus							(2,559)
Net income attributable to owners of parent							8,778
Purchase of treasury shares							(0)
Disposal of treasury shares							134
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in items other than shareholders' equity	28	19	386	107	541	82	624
Total changes during period	28	19	386	107	541	82	6,978
Balance at end of current period	82	(136)	973	111	1,031	1,148	38,997

Fiscal Year 2024 (Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,495	5,652	30,482	(1,813)	36,816
Changes during period					
Dividends of surplus			(4,104)		(4,104)
Net income attributable to owners of parent			9,986		9,986
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				139	139
Change in ownership interest of parent due to transactions with non-controlling interests		31			31
Net changes in items other than shareholders' equity					
Total changes during period	-	31	5,881	139	6,052
Balance at end of current period	2,495	5,684	36,363	(1,674)	42,869

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	82	(136)	973	111	1,031	1,148	38,997
Changes during period							
Dividends of surplus							(4,104)
Net income attributable to owners of parent							9,986
Purchase of treasury shares							(0)
Disposal of treasury shares							139
Change in ownership interest of parent due to transactions with non-controlling interests							31
Net changes in items other than shareholders' equity	47	260	770	62	1,140	(0)	1,140
Total changes during period	47	260	770	62	1,140	(0)	7,193
Balance at end of current period	129	124	1,744	174	2,172	1,148	46,190

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from operating activities		
Net income before income taxes	12,469	13,887
Depreciation and amortization	559	763
Increase (decrease) in allowance for doubtful accounts	(7)	366
Increase (decrease) in provision for bonuses	913	(317)
Increase (decrease) in retirement benefit liability	(381)	(141)
Increase (decrease) in provision for share-based compensation expenses for employees	230	286
Increase (decrease) in provision for share-based compensation expenses for directors	206	219
Interest expenses	171	228
Share of loss (profit) of entities accounted for using equity method	(149)	(166)
Foreign exchange losses (gains)	(702)	916
Compensation income for damage	-	(91)
Decrease (increase) in notes and accounts receivable - trade, and contract assets	(11,203)	2,127
Decrease (increase) in inventories	(15,521)	(12,468)
Increase (decrease) in trade payables	4,716	2,345
Increase (decrease) in accounts payable - other	(159)	143
Increase (decrease) in advances received	6,594	1,991
Decrease (increase) in consumption taxes refund receivable	(1,198)	(760)
Decrease (increase) in accounts receivable - other	100	(1,561)
Decrease (increase) in advance payments to suppliers	577	132
Decrease (increase) in prepaid expenses	(5,599)	(2,082)
Other, net	(615)	(878)
Subtotal	(8,999)	4,940
Interest and dividends received	124	272
Interest paid	(169)	(231)
Compensation income for damage received	-	91
Income taxes paid	(3,140)	(4,771)
Net cash provided by (used in) operating activities	(12,185)	301
Cash flows from investing activities		
Net decrease (increase) in time deposits	10	(14)
Purchase of property, plant and equipment	(176)	(304)
Purchase of intangible assets	(94)	(599)
Purchase of investment securities	-	(144)
Proceeds from sale of investment securities	-	4
Payments of leasehold and guarantee deposits	-	(439)
Proceeds from cancellation of insurance funds	47	-
Payments for acquisition of businesses	-	(1,200)
Other, net	15	2
Net cash provided by (used in) investing activities	(199)	(2,695)

(Millions of yen)

	Fiscal Year 2023 (from Apr. 1, 2022 to Mar. 31, 2023)	Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,052	1,121
Net increase (decrease) in commercial papers	-	5,000
Proceeds from long-term borrowings	15,000	-
Repayments of long-term borrowings	(5,100)	(3)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(27)
Purchase of treasury shares	(0)	(0)
Proceeds from disposal of treasury shares	307	468
Dividends paid	(2,428)	(3,916)
Dividends paid to non-controlling interests	(17)	(35)
Repayments of lease liabilities	(65)	(77)
Net cash provided by (used in) financing activities	13,746	2,529
Effect of exchange rate change on cash and cash equivalents	53	179
Net increase (decrease) in cash and cash equivalents	1,414	314
Cash and cash equivalents at beginning of period	5,028	6,442
Cash and cash equivalents at end of period	6,442	6,757

(5) Segment Information

1. Overview of Reported Segments

(1) The method to categorize reported segments

The reported segments of the Company are those units for which separate financial statements can be obtained among the constituent units of the Company and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

(2) Products and services categorized for each reported segment

The Company operates its business activities under separated sales units for each group of products and services. The Company categorizes two reported segments, “Electric Components Business” and “Computer Networks Business”.

“Electronic Components Business” focuses on business activities, such as sales of semiconductor products, boards, electronic components, and software & services, as well as manufacturing and sales of private brand (PB) products. “Computer Networks Business” focuses on business activities, such as sales of network-related products, storage-related products, and security-related products, as well as maintenance & monitoring services.

2. Basis for Calculating Net sales, Income (loss), Assets, Liabilities, and Other Items by Reported Segment

The accounting methods used for reportable segments are the same as those used for preparing the Consolidated Financial Statements.

3. Information on Amounts of Net sales, Income (loss), Assets, Liabilities, and Other Items by Reported Segment, and breakdown of Revenue

Fiscal Year 2023 (Apr. 1, 2022 to Mar. 31, 2023)

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Semiconductor & Boards Products, etc.	211,094	—	211,094	—	211,094
Storage & Network Products, etc.	—	18,636	18,636	—	18,636
Maintenance & Monitoring Services	—	10,619	10,619	—	10,619
Revenue from contracts with customers	211,094	29,255	240,350	—	240,350
Outside customers	211,094	29,255	240,350	—	240,350
Inter-segment	2	—	2	(2)	—
Total	211,096	29,255	240,352	(2)	240,350
Segment income	10,459	2,019	12,478	—	12,478
Segment assets	117,632	25,819	143,452	—	143,452
Other items					
Depreciation	380	146	527	—	527
Amortization of goodwill	—	—	—	—	—
Interest expenses	167	4	171	—	171
Increase in property, plant, and equipment, and intangible assets	288	102	391	—	391

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.

Fiscal Year 2024 (Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Semiconductor & Boards Products, etc.	209,909	—	209,909	—	209,909
Storage & Network Products, etc.	—	20,486	20,486	—	20,486
Maintenance & Monitoring Services	—	12,492	12,492	—	12,492
Revenue from contracts with customers	209,909	32,978	242,888	—	242,888
Outside customers	209,909	32,978	242,888	—	242,888
Inter-segment	1	—	1	(1)	—
Total	209,911	32,978	242,889	(1)	242,888
Segment income	10,459	3,463	13,922	—	13,922
Segment assets	127,499	35,068	162,567	—	162,567
Other items					
Depreciation	554	131	685	—	685
Amortization of goodwill	4	—	4	—	4
Interest expenses	227	0	228	—	228
Increase in property, plant, and equipment, and intangible assets	2,287	253	2,540	—	2,540

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.