TEL TOKYO ELECTRON

# Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Japanese GAAP)

April 30, 2025

Name of Listed Company: Tokyo Electron Limited　　Stock Exchange Listing: Tokyo
Security Code: 8035
URL: https://www.tel.com
Representative: Toshiki Kawai, Representative Director, President & CEO
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Scheduled start date of dividends payment: May 28, 2025
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 Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

### (1) Consolidated Operating Results

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

| | Year ended | | | |
|---|---|---|---|---|
| | March 31, 2024 | | March 31, 2025 | |
| | | % | | % |
| Net sales (Millions of yen) | 1,830,527 | (17.1) | 2,431,568 | 32.8 |
| Operating income (Millions of yen) | 456,263 | (26.1) | 697,319 | 52.8 |
| Ordinary income (Millions of yen) | 463,185 | (25.9) | 707,727 | 52.8 |
| Net income attributable to owners of parent (Millions of yen) | 363,963 | (22.8) | 544,133 | 49.5 |
| Net income per share of common stock (Yen): | | | | |
| Basic | 783.75 | | 1,182.40 | |
| Diluted | 781.20 | | 1,179.08 | |
| Return on equity (%) | 21.8 | | 30.3 | |
| Ordinary income to total assets (%) | 19.4 | | 27.8 | |
| Operating income to net sales (%) | 24.9 | | 28.7 | |

Comprehensive income: Year ended March 31, 2025: 476,095 million yen, (0.5)%
Year ended March 31, 2024: 478,281 million yen, (4.6)%
Profit (loss) on equity method: Year ended March 31, 2025: 3,001 million yen
Year ended March 31, 2024: 3,388 million yen

### (2) Consolidated Financial Position

| | As of | |
|---|---|---|
| | March 31, 2024 | March 31, 2025 |
| Total assets (Millions of yen) | 2,456,462 | 2,625,981 |
| Total net assets (Millions of yen) | 1,760,180 | 1,855,209 |
| Equity ratio (%) | 71.1 | 70.1 |
| Net assets per share (Yen) | 3,773.11 | 4,016.34 |

Equity: 1,839,929 million yen (as of March 31, 2025)
1,746,835 million yen (as of March 31, 2024)

### (3) Consolidated Cash Flows

| | Year ended | |
|---|---|---|
| | March 31, 2024 | March 31, 2025 |
| Cash flows from operating activities | 434,720 | 582,174 |
| Cash flows from investing activities | (125,148) | (169,609) |
| Cash flows from financing activities | (325,012) | (388,836) |
| Cash and cash equivalents at end of period | 461,608 | 485,072 |

## 2. Dividends

| | Year ended | | Year ending |
|---|---|---|---|
| | March 31, 2024 | March 31, 2025 | March 31, 2026 (Forecast) |
| 1Q-end dividends per share (Yen) | - | - | - |
| 2Q-end dividends per share (Yen) | 148.00 | 265.00 | 245.00 |
| 3Q-end dividends per share (Yen) | - | - | - |
| Year-end dividends per share (Yen) | 245.00 | 327.00 | 373.00 |
| Annual dividends per share (Yen) | 393.00 | 592.00 | 618.00 |
| Total dividends (Millions of yen) | 182,470 | 272,763 | |
| Payout ratio (%) | 50.1 | 50.1 | 50.0 |
| Dividend on equity (%) | 11.0 | 15.2 | |

Note: The year-end dividends per share for the year ended March 31, 2025 shown above are forecast. Please refer to "1. Business Results (5) Basic Policy on Profit Allocation and Payment of Dividends for the Current and Next Fiscal Years" on page 6 for further information.

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

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

| | Year ending | | | |
|---|---|---|---|---|
| | September 30, 2025 | | March 31, 2026 | |
| | | % | | % |
| Net sales (Millions of yen) | 1,150,000 | 2.5 | 2,600,000 | 6.9 |
| Operating income (Millions of yen) | 288,000 | (8.3) | 727,000 | 4.3 |
| Ordinary income (Millions of yen) | 293,000 | (8.8) | 736,000 | 4.0 |
| Net income attributable to owners of parent (Millions of yen) | 224,000 | (8.2) | 566,000 | 4.0 |
| Net income per share (Yen) | 488.97 | | 1,235.51 | |

**Notes**

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

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

1. Changes in accounting policies along with changes in accounting standards: Yes
2. Other changes of accounting policies besides the number 1 above: None
3. Changes in accounting estimates: None
4. Restatements: None

Please refer to "Notes" on page 15 for further information.

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

1. Number of shares issued and outstanding (including treasury stock)
   - As of March 31, 2025: 471,632,733 shares
   - As of March 31, 2024: 471,632,733 shares
2. Number of shares of treasury stock
   - As of March 31, 2025: 13,522,282 shares
   - As of March 31, 2024: 8,663,247 shares
3. Average number of shares outstanding
   - Year ended March 31, 2025: 460,192,900 shares
   - Year ended March 31, 2024: 464,389,368 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 March 31, 2025, 1,386,407 shares as of March 31, 2024)
In addition, these Company's shares are included in the treasury stock which is deducted in calculating the average number of shares.

**(Reference) Non-consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)**

**(1) Operating Results**

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

| | Year ended | | | |
|---|---|---|---|---|
| | March 31, 2024 | | March 31, 2025 | |
| | | % | | % |
| Net sales (Millions of yen) | 1,625,256 | (19.6) | 2,204,074 | 35.6 |
| Operating income (Millions of yen) | 401,733 | 5.7 | 506,227 | 26.0 |
| Ordinary income (Millions of yen) | 441,386 | (24.6) | 550,239 | 24.7 |
| Net income (Millions of yen) | 340,187 | (29.8) | 424,829 | 24.9 |
| Net income per share of common stock (Yen): | | | | |
| Basic | 732.55 | | 923.15 | |
| Diluted | 730.16 | | 920.56 | |

**(2) Financial Position**

| | As of | |
|---|---|---|
| | March 31, 2024 | March 31, 2025 |
| Total assets (Millions of yen) | 1,860,849 | 1,875,544 |
| Total net assets (Millions of yen) | 1,199,380 | 1,188,274 |
| Equity ratio (%) | 63.7 | 62.5 |
| Net assets per share (Yen) | 2,561.80 | 2,560.51 |

Equity: 1,172,994 million yen (as of March 31, 2025)
1,186,035 million yen (as of March 31, 2024)

* Status of implementation of audit procedures

This Summary of Consolidated Financial Results is outside the scope of external auditor's audit procedures under the Financial Instruments and Exchange Act.

* 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) Future Forecast" on page 6.

The Company plans to hold an online conference for investors and analysts on April 30, 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

### (i) Business Environment during the Fiscal Year Ended March 31, 2025

With respect to the global economy in the current consolidated 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, especially in the United States, where the economy continues to grow.

In the electronics industry, where the Tokyo Electron (TEL) Group operates, there was sluggish demand for end products such as computers and smartphones. However, the spread of generative AI led to growing demand for AI servers for data centers, driving overall growth in the semiconductor market.

Under these circumstances, in the semiconductor production equipment market in the current consolidated fiscal year, capital investment in memory and advanced packages for generative AI applications grew significantly, while capital investment in mature generation of semiconductors in China continued. Capital investment in cutting-edge generation logic/foundry semiconductors also exceeded that of the previous fiscal year.

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 role of semiconductors and their technological innovation are becoming increasingly important, and the semiconductor production equipment market is expected to grow even further in the medium- to long-term.

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

### (ii) Overview of Profit and Loss during the Fiscal Year Ended March 31, 2025

In this environment, the consolidated business results for the fiscal year under review are as follows.

Net sales for the fiscal year increased 32.8% from the previous fiscal year to 2,431,568 million yen. Domestic net sales increased 2.7% from the previous year to 189,979 million yen, while overseas net sales increased 36.2% to 2,241,588 million yen to account for 92.2% of net sales.

Cost of sales increased 28.5% to 1,285,280 million yen and gross profit increased 38.1% to 1,146,287 million yen. As a result, the gross profit margin increased 1.7 points to 47.1%.

Selling, general and administrative (SG&A) expenses increased 20.0% to 448,967 million yen, while the ratio to consolidated net sales decreased 2.1 points to 18.4%.

As a result, operating income increased 52.8% to 697,319 million yen and operating profit ratio increased 3.8 points to 28.7%. After netting of non-operating income of 12,627 million yen and non-operating expenses of 2,219 million yen, ordinary income increased 52.8% to 707,727 million yen.

Income before income taxes was 706,114 million yen (year-on-year increase of 49.1%) and net income attributable to owners of parent was 544,133 million yen (year-on-year increase of 49.5%).

As a result, net income per share was 1,182.40 yen compared to net income per share of 783.75 yen in the previous fiscal year.

**(2) Overview of Financial Conditions**

Current assets at the end of the current fiscal year were 1,800,756 million yen, an increase of 100,304 million yen compared to the end of the previous fiscal year. This was mainly due to an increase of 94,203 million yen in notes and accounts receivable - trade, and contract assets, an increase of 69,833 million yen in securities, and a decrease of 46,142 million yen in cash and deposits.

Property, plant and equipment increased by 104,339 million yen from the end of the previous fiscal year, to 441,706 million yen.

Intangible assets increased by 3,466 million yen from the end of the previous fiscal year, to 35,850 million yen.

Investments and other assets decreased by 38,592 million yen from the end of the previous fiscal year, to 347,668 million yen.

As a result, total assets increased by 169,518 million yen from the end of the previous fiscal year, to 2,625,981 million yen.

Current liabilities increased by 66,025 million yen from the end of the previous fiscal year, to 677,925 million yen. This was largely due to an increase of 29,436 million yen in income taxes payable, an increase of 27,099 million yen in accrued consumption tax, an increase of 15,676 million yen in notes and accounts payable - trade, and a decrease of 33,512 million yen in advances received.

Non-current liabilities increased by 8,463 million yen from the end of the previous fiscal year, to 92,846 million yen.

Net assets increased by 95,028 million yen from the end of the previous fiscal year, to 1,855,209 million yen. This was largely due to an increase of 544,133 million yen resulting from recording net income attributable to owners of parent, a decrease resulting from the payment of 236,276 million yen in year-end dividends for the previous fiscal year and interim dividends for the current fiscal year, a decrease resulting from the purchase of treasury stock of 150,008 million yen, and a decrease of 55,359 million yen in net unrealized gains on available-for-sale securities. As a result, the equity ratio was 70.1%.

**(3) Overview of Cash Flows**

Cash and cash equivalents at the end of the current fiscal year increased by 23,463 million yen compared to the end of the previous fiscal year, to 485,072 million yen. The combined balance including 11,166 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 496,238 million yen, an increase of 23,690 million yen from the end of the previous fiscal year. The overall situation regarding cash flows for the fiscal year was as described below.

Cash flows from operating activities were positive 582,174 million yen, an increase of 147,453 million yen compared to the end of the previous fiscal year. The major positive factors were 706,114 million yen in income before income taxes, and 62,148 million yen in depreciation and amortization. The major negative factors were 142,814 million yen in payment of income taxes, and a 97,519 million yen increase in notes and accounts receivable - trade, and contract assets.

Cash flows from investing activities were negative 169,609 million yen compared to negative 125,148 million yen in the same period of the previous fiscal year. This was largely due to the payment of 158,374 million yen for the purchase of property, plant and equipment.

Cash flows from financing activities were negative 388,836 million yen compared to negative 325,012 million yen in the same period of the previous fiscal year. This was largely due to the payment of 236,276 million yen in dividends, and the payment of 150,008 million yen for the purchase of treasury stock.

**(4) Future forecast**

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 are becoming increasingly important, and the semiconductor production equipment market is expected to grow even further. Taking into account this business environment, the consolidated financial forecast for the fiscal year ending March 31, 2026 is as follows.

**Consolidated Financial Forecast** (Billions of yen, Y/Y change)

| Year ending March 31, 2026 | Interim | | Full Year | |
|---|---|---|---|---|
| Net Sales | 1,150.0 | 2.5% | 2,600.0 | 6.9% |
| Operating Income | 288.0 | (8.3)% | 727.0 | 4.3% |
| Ordinary Income | 293.0 | (8.8)% | 736.0 | 4.0% |
| Net Income Attributable to Owners of Parent | 224.0 | (8.2)% | 566.0 | 4.0% |

Note: The financial forecasts and estimates stated in this announcement 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 stated in this announcement.

**(5) Basic Policy on Profit Allocation and Payment of Dividends for the Current and Next Fiscal Years**

**(i) Basic Policy on Profit Allocation**

TEL utilizes capital reserves to raise corporate value through earnings growth and provide returns directly to shareholders by concentrating investment in high-growth areas and linking dividend payments to business performance. Basic policy concerning shareholder return is as follows.

Shareholder Return Policy

• Our dividend policy is to link dividend payments to business performance on an ongoing basis and a payout ratio is around 50% based on net income attributable to owners of parent, with the conditions that an annual dividend per share is not less than 50 yen. Besides, TEL will review our dividend policy if TEL does not generate net income for two consecutive fiscal years.

• TEL will flexibly consider share buybacks.

**(ii) Revision to the Dividend Forecast for the Fiscal Year Under Review**

In accordance with the financial results for the fiscal year ended March 31, 2025, announced today, and due to an increase in profit compared to the full-year consolidated financial forecasts announced on November 12, 2024, we would like to amend the annual dividends forecast from 571 yen per share as announced on the same day, to 592 yen per share (Interim dividends : 265 yen, Year-end dividends : 327 yen) in line with the aforementioned dividend policy. The year-end dividend is scheduled to be formally decided at the Board of Directors’ meeting to be held on May 9, 2025.

| (Yen) | Dividends per Share | | |
|---|---|---|---|
| | Interim (2Q-End) | Year-End | Total |
| Previous Forecast | — | 306.00 | 571.00 |
| Revised Forecast | — | 327.00 | 592.00 |
| Results for the Year Ended March 31, 2025 | 265.00 | — | — |
| Results for the Year Ended March 31, 2024 | 148.00 | 245.00 | 393.00 |

**(iii) Dividends Forecast for the Next Fiscal Year**

The dividends are forecasted for the next fiscal year (the year ending March 31, 2026) to be 618 yen per share for the entire year (Interim dividends : 245 yen, Year-end dividends : 373 yen), in accordance with the above consolidated financial forecast for net income attributable to owners of parent for the next fiscal year.

| (Yen) | Dividends per share | | |
|---|---|---|---|
| | Interim (2Q-End) | Year-End | Total |
| Next fiscal year (ending March 31, 2026) | 245.00 | 373.00 | 618.00 |

## 2. Basic philosophy on the selection of accounting standards

The consolidated financial statements of TEL group have been prepared in conformity with accounting principles generally accepted in Japan. In regard to the application of IFRS, we will pay close attention to domestic and international implementation adoption trends and respond accordingly.

# Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|---|---|
| **ASSETS** | | |
| **Current assets** | | |
| Cash and deposits | 462,383 | 416,240 |
| Notes and accounts receivable - trade, and contract assets | 391,423 | 485,626 |
| Securities | 10,165 | 79,998 |
| Merchandise and finished goods | 284,451 | 291,523 |
| Work in process | 173,929 | 190,021 |
| Raw materials and supplies | 304,576 | 267,580 |
| Other | 73,876 | 69,924 |
| Allowance for doubtful accounts | (353) | (160) |
| Total current assets | 1,700,451 | 1,800,756 |
| **Non-current assets** | | |
| Property, plant and equipment | | |
| Buildings and structures | 271,442 | 300,882 |
| Accumulated depreciation | (137,472) | (147,565) |
| Buildings and structures, net | 133,970 | 153,316 |
| Machinery, equipment and vehicles | 239,161 | 274,379 |
| Accumulated depreciation | (178,899) | (197,829) |
| Machinery, equipment and vehicles, net | 60,261 | 76,550 |
| Land | 33,804 | 47,853 |
| Construction in progress | 87,399 | 137,010 |
| Other | 71,548 | 81,227 |
| Accumulated depreciation | (49,617) | (54,251) |
| Other, net | 21,931 | 26,975 |
| Total property, plant and equipment | 337,366 | 441,706 |
| Intangible assets | | |
| Other | 32,383 | 35,850 |
| Total intangible assets | 32,383 | 35,850 |
| Investments and other assets | | |
| Investment securities | 277,706 | 200,013 |
| Deferred tax assets | 42,096 | 69,561 |
| Net defined benefit assets | 29,426 | 31,578 |
| Other | 38,441 | 47,916 |
| Allowance for doubtful accounts | (1,409) | (1,402) |
| Total investments and other assets | 386,260 | 347,668 |
| Total non-current assets | 756,011 | 825,225 |
| **Total assets** | 2,456,462 | 2,625,981 |

# Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2024 | As of March 31, 2025 |
|---|---|---|
| **LIABILITIES** | | |
| **Current liabilities** | | |
| Notes and accounts payable - trade | 92,359 | 108,036 |
| Income taxes payable | 80,009 | 109,446 |
| Advances received | 289,905 | 256,392 |
| Provision for employees’ bonuses | 43,727 | 55,218 |
| Provision for warranty expenses | 33,524 | 40,381 |
| Other | 72,372 | 108,450 |
| Total current liabilities | 611,899 | 677,925 |
| **Non-current liabilities** | | |
| Net defined benefit liabilities | 56,139 | 56,473 |
| Other | 28,243 | 36,373 |
| Total non-current liabilities | 84,383 | 92,846 |
| **Total liabilities** | 696,282 | 770,771 |
| **NET ASSETS** | | |
| **Shareholders' equity** | | |
| Common stock | 54,961 | 54,961 |
| Capital surplus | 78,011 | 78,011 |
| Retained earnings | 1,480,306 | 1,783,881 |
| Treasury stock | (135,215) | (277,658) |
| Total shareholders' equity | 1,478,063 | 1,639,195 |
| **Accumulated other comprehensive income** | | |
| Net unrealized gains (losses) on available-for-sale securities | 184,934 | 129,574 |
| Net deferred gains (losses) on hedging instruments | 42 | 37 |
| Foreign currency translation adjustments | 72,275 | 60,801 |
| Remeasurements of defined benefit plans | 11,519 | 10,319 |
| Total accumulated other comprehensive income (loss) | 268,771 | 200,733 |
| **Share subscription rights** | 13,345 | 15,280 |
| **Total net assets** | 1,760,180 | 1,855,209 |
| **Total liabilities and net assets** | 2,456,462 | 2,625,981 |

# Consolidated Statements of Income

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---|---|
| **Net sales** | 1,830,527 | 2,431,568 |
| Cost of sales | 1,000,257 | 1,285,280 |
| **Gross profit** | 830,269 | 1,146,287 |
| Selling, general and administrative expenses | | |
| Salaries and allowances | 43,385 | 50,969 |
| Research and development expenses | 202,873 | 250,017 |
| Other | 127,747 | 147,981 |
| Total selling, general and administrative expenses | 374,006 | 448,967 |
| **Operating income** | 456,263 | 697,319 |
| Non-operating income | | |
| Interest income | 2,567 | 2,193 |
| Dividend income | 1,169 | 1,386 |
| Share of profit of associates accounted for using the equity method | 3,388 | 3,001 |
| Subsidy income | 2,430 | 2,583 |
| Other | 2,608 | 3,462 |
| Total non-operating income | 12,164 | 12,627 |
| Non-operating expenses | | |
| Foreign exchange losses | 4,148 | 929 |
| Other | 1,094 | 1,289 |
| Total non-operating expenses | 5,242 | 2,219 |
| **Ordinary income** | 463,185 | 707,727 |
| Extraordinary income | | |
| Gain on sales of non-current assets | 10,617 | 31 |
| Other | 220 | - |
| Total extraordinary income | 10,838 | 31 |
| Extraordinary loss | | |
| Loss on disposal and sales of non-current assets | 584 | 1,197 |
| Impairment loss | - | 447 |
| Total extraordinary loss | 584 | 1,645 |
| **Income before income taxes** | 473,439 | 706,114 |
| Income taxes - current | 124,001 | 172,376 |
| Income taxes - deferred | (14,525) | (10,395) |
| Total income taxes | 109,475 | 161,980 |
| **Net income** | 363,963 | 544,133 |
| Net income attributable to owners of parent | 363,963 | 544,133 |

# Consolidated Statements of Comprehensive Income

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---|---|
| **Net income** | 363,963 | 544,133 |
| **Other comprehensive income** | | |
| Net unrealized gains (losses) on available-for-sale securities | 77,465 | (55,326) |
| Foreign currency translation adjustments | 28,923 | (11,474) |
| Remeasurements of defined benefit plans | 7,543 | (1,405) |
| Share of other comprehensive income of associates accounted for using the equity method | 385 | 168 |
| Total other comprehensive income (loss) | 114,318 | (68,038) |
| **Comprehensive income** | 478,281 | 476,095 |
| **Comprehensive income attributable to:** | | |
| Owners of parent | 478,281 | 476,095 |

# Consolidated Statements of Changes in Net Assets

Year ended March 31, 2024 (Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at beginning of period | 54,961 | 78,011 | 1,322,203 | (22,033) | 1,433,141 |
| Changes during period | | | | | |
| Cash dividends | | | (202,457) | | (202,457) |
| Net income attributable to owners of parent | | | 363,963 | | 363,963 |
| Purchase of treasury stock | | | | (120,028) | (120,028) |
| Disposal of treasury stock | | | (3,402) | 6,846 | 3,444 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | 158,103 | (113,181) | 44,921 |
| Balance at end of period | 54,961 | 78,011 | 1,480,306 | (135,215) | 1,478,063 |

| | Accumulated other comprehensive income | | | | | Share subscription rights | Total net assets |
|---|---|---|---|---|---|---|---|
| | Net unrealized gains (losses) on available-for-sale securities | Net deferred gains (losses) on hedging instruments | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total accumulated other comprehensive income (loss) | | |
| Balance at beginning of period | 107,452 | (46) | 43,091 | 3,954 | 154,453 | 11,929 | 1,599,524 |
| Changes during period | | | | | | | |
| Cash dividends | | | | | | | (202,457) |
| Net income attributable to owners of parent | | | | | | | 363,963 |
| Purchase of treasury stock | | | | | | | (120,028) |
| Disposal of treasury stock | | | | | | | 3,444 |
| Net changes in items other than shareholders' equity | 77,481 | 88 | 29,183 | 7,564 | 114,318 | 1,415 | 115,733 |
| Total changes during period | 77,481 | 88 | 29,183 | 7,564 | 114,318 | 1,415 | 160,655 |
| Balance at end of period | 184,934 | 42 | 72,275 | 11,519 | 268,771 | 13,345 | 1,760,180 |

# Consolidated Statements of Changes in Net Assets

Year ended March 31, 2025 (Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at beginning of period | 54,961 | 78,011 | 1,480,306 | (135,215) | 1,478,063 |
| Changes during period | | | | | |
| Cash dividends | | | (236,276) | | (236,276) |
| Net income attributable to owners of parent | | | 544,133 | | 544,133 |
| Purchase of treasury stock | | | | (150,008) | (150,008) |
| Disposal of treasury stock | | | (4,282) | 7,565 | 3,283 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | 303,574 | (142,442) | 161,132 |
| Balance at end of period | 54,961 | 78,011 | 1,783,881 | (277,658) | 1,639,195 |

| | Accumulated other comprehensive income | | | | | Share subscription rights | Total net assets |
|---|---|---|---|---|---|---|---|
| | Net unrealized gains (losses) on available-for-sale securities | Net deferred gains (losses) on hedging instruments | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total accumulated other comprehensive income (loss) | | |
| Balance at beginning of period | 184,934 | 42 | 72,275 | 11,519 | 268,771 | 13,345 | 1,760,180 |
| Changes during period | | | | | | | |
| Cash dividends | | | | | | | (236,276) |
| Net income attributable to owners of parent | | | | | | | 544,133 |
| Purchase of treasury stock | | | | | | | (150,008) |
| Disposal of treasury stock | | | | | | | 3,283 |
| Net changes in items other than shareholders' equity | (55,359) | (4) | (11,473) | (1,200) | (68,038) | 1,934 | (66,103) |
| Total changes during period | (55,359) | (4) | (11,473) | (1,200) | (68,038) | 1,934 | 95,028 |
| Balance at end of period | 129,574 | 37 | 60,801 | 10,319 | 200,733 | 15,280 | 1,855,209 |

# Consolidated Statements of Cash Flows

(Millions of yen)

| | Year ended March 31, 2024 | Year ended March 31, 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Income before income taxes | 473,439 | 706,114 |
| Depreciation and amortization | 52,339 | 62,148 |
| Amortization of goodwill | 73 | 117 |
| Increase (decrease) in provision for employees' bonuses | (631) | 11,784 |
| Increase (decrease) in provision for warranty expenses | (1,271) | 6,869 |
| Interest and dividend income | (3,737) | (3,580) |
| Decrease (increase) in notes and accounts receivable - trade, and contract assets | 84,848 | (97,519) |
| Decrease (increase) in inventories | (97,712) | 8,485 |
| Increase (decrease) in notes and accounts payable - trade | (29,629) | 19,512 |
| Decrease (increase) in prepaid consumption tax | 88,092 | 2,675 |
| Increase (decrease) in accrued consumption tax | (3,639) | 27,100 |
| Increase (decrease) in advances received | (2,390) | (32,512) |
| Other, net | (10,671) | 9,319 |
| Subtotal | 549,109 | 720,516 |
| Interest and dividends received | 4,546 | 4,472 |
| Income taxes refund (paid) | (118,935) | (142,814) |
| Net cash provided by operating activities | 434,720 | 582,174 |
| **Cash flows from investing activities** | | |
| Payment into time deposits | (755) | (767) |
| Proceeds from withdrawal of time deposits | 665 | 756 |
| Purchase of short-term investments | (20,000) | (30,000) |
| Proceeds from redemption of short-term investments | 10,001 | 30,167 |
| Purchase of property, plant and equipment | (116,993) | (158,374) |
| Purchase of intangible assets | (7,987) | (9,665) |
| Other, net | 9,921 | (1,725) |
| Net cash used in investing activities | (125,148) | (169,609) |
| **Cash flows from financing activities** | | |
| Purchase of treasury stock | (120,028) | (150,008) |
| Dividends paid | (202,457) | (236,276) |
| Other, net | (2,525) | (2,551) |
| Net cash used in financing activities | (325,012) | (388,836) |
| **Effect of exchange rate changes on cash and cash equivalents** | 4,577 | (264) |
| **Net increase (decrease) in cash and cash equivalents** | (10,862) | 23,463 |
| **Cash and cash equivalents at beginning of period** | 472,471 | 461,608 |
| **Cash and cash equivalents at end of period** | 461,608 | 485,072 |

# Notes

**Going concern: None**

**Changes in accounting policies, changes in accounting estimates and restatements: Yes**

Changes in accounting policies

Accounting Standard for Current Income Taxes

The Company applies "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022), etc from the beginning of the current fiscal year.

The amendment of classification of income taxes (taxation on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of "Accounting Standard for Current Income Taxes" and the proviso of paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022). There is no effect by this change on the consolidated financial statements.

Regarding the amendment related to the revision of the treatment on the consolidated financial statements for profits and losses on the sale of shares of subsidiaries and affiliates between consolidated companies that are deferred for tax purposes, the Company applies "Guidance on Accounting Standard for Tax Effect Accounting" from the beginning of the current fiscal year. This change has been applied retrospectively and the consolidated financial statements for the previous fiscal year are after the retrospective application.

There is no effect by this change on the consolidated financial statements for the previous fiscal year.

**Segment information**

The description of this section has been omitted as TEL Group has a single segment of semiconductor production equipment.

**Per share information**

| | Year ended March 31, 2025 |
|---|---|
| Net assets per share (Yen) | 4,016.34 |
| Net income per share (Yen) | 1,182.40 |
| Fully diluted net income per share (Yen) | 1,179.08 |

Notes:

1. Net income per share and fully diluted net income per share are calculated based on the following elements.

| | |
|---|---|
| Net income per share (Yen) | |
| Net income attributable to owners of parent (Millions of yen) | 544,133 |
| Net income not pertaining to owners of common stock (Millions of yen) | - |
| Net income attributable to owners of parent pertaining to common stock (Millions of yen) | 544,133 |
| The average number of common stock (Thousands of share) | 460,192 |
| | |
| Fully diluted net income per share (Yen) | |
| The adjustments to net income attributable to owners of parent (Millions of yen) | - |
| Increase in common stock (Thousands of share) | 1,297 |
| [Share subscription rights (Thousands of share)] | [1,297] |
| Details of dilutive shares, not included in the computation of fully diluted net income per share as there is no dilution effect. | – |

2. The shares of the Company held by "Executive compensation Board Incentive Plan (BIP) trust" and "share-delivering Employee Stock Ownership Plan (ESOP) trust", which are recorded in “Treasury stock” under shareholders’ equity, are included in the treasury stock which is deducted from the number of shares issued and outstanding as of the end of the period when calculating net assets per share. The shares held by the trusts are also included in the treasury stock which is deducted from the number of shares used to calculate the average number of shares outstanding in the period when calculating net income per share and fully diluted net income per share.

   The number of treasury shares deducted in the calculation of net assets per share was 1,383 thousand shares as of the end of the current fiscal year, and the average number of treasury shares deducted in the calculation of net income per share and fully diluted net income per share was 1,384 thousand shares in the current fiscal year.

**Significant subsequent event**

None