

Financial Review

From the beginning of fiscal 2022, Tokyo Electron (TEL) applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020). Comparisons between the same period in the previous year in the explanation of operating results and cash flows and comparisons between the end of the previous fiscal year in the explanation of financial positions are made using figures from the consolidated results of the previous fiscal year prior to the application of the change in accounting standard.

Operating Results

During fiscal 2022, despite the effects of the COVID-19 pandemic and heightened geopolitical risks, a gradual recovery in the global economy has been observed.

In the electronics industry, where the TEL operates, further growth in semiconductor production equipment market is expected due to the growing importance of semiconductors, driven by the transition to a data society due to the expansion of communications technologies and efforts toward realizing a decarbonized society.

In this environment, the consolidated business results for fiscal 2022 are as follows.

Net sales for the fiscal year increased 43.2% from the previous fiscal year to 2,003.8 billion yen. Domestic net sales increased 16.6% from the previous year to 230.3 billion yen, while overseas net sales increased 47.6% to 1,773.4 billion yen to account for 88.5% of net sales.

Cost of sales increased 30.9% to 1,091.9 billion yen and gross profit increased 61.4% to 911.8 billion yen. As a result, the gross profit margin expanded by 5.1 points to 45.5%. Selling, general and administrative (SG&A) expenses increased 28.0% to 312.5 billion yen, while the ratio to consolidated net sales declined by 1.9 points to 15.6%.

As a result, operating income increased 86.9% to 599.2 billion yen and operating profit ratio increased 7.0 points to 29.9%.

Income before income taxes was 596.6 billion yen (year-on-year growth of 88.2%) and net income attributable to owners of parent was 437.0 billion yen (year-on-year growth of 79.9%).

As a result, net income per share was 2,807.84 yen compared to net income per share of 1,562.20 yen in the previous fiscal year.

Financial Conditions

Current assets at the end of fiscal 2022 were 1,408.7 billion yen, an increase of 393.0 billion yen compared to the end of the previous fiscal year. This was mainly due to an increase of 242.2 billion yen in notes and accounts receivable-trade, and contract assets, an increase of 69.6 billion yen in cash and cash equivalents, and an increase of 58.5 billion yen in inventories.

Tangible fixed assets increased by 26.1 billion yen from the end of the previous fiscal year, to 223.0 billion yen. Investments and other assets increased by 49.9 billion yen from the end of the previous fiscal year, to 262.6 billion yen.

As a result, total assets increased by 469.0 billion yen from the end of the previous fiscal year, to 1,894.4 billion yen.

Current liabilities increased by 140.9 billion yen from the end of the previous fiscal year, to 468.5 billion yen. This was largely due to an increase of 57.9 billion yen in income taxes payable, an increase of 30.3 billion yen in trade notes and accounts payable, and an increase of 20.8 billion yen in customer advances.

Long-term liabilities increased by 5.6 billion yen from the end of the previous fiscal year, to 78.8 billion yen.

Net assets increased by 322.4 billion yen from the end of the previous fiscal year, to 1,347.0 billion yen. This was largely due to an increase of 437.0 billion yen resulting from recording net income attributable to owners of parent, a decrease resulting from the payment of 166.2 billion yen in year-end dividends for the previous fiscal year and interim dividends for fiscal 2022, and an increase of 27.3 billion yen in net unrealized gains on investment securities. As a result, the equity ratio was 70.5%.

Cash Flows

Cash and cash equivalents at the end of fiscal 2022 increased by 69.6 billion yen compared to the end of the previous fiscal year, to 335.6 billion yen. The combined balance including 35.6 billion 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 371.2 billion yen, an increase of 59.7 billion yen from the end of the previous fiscal year. The overall situation regarding cash flows for fiscal 2022 was as described below.

Cash flows from operating activities were positive 283.3 billion yen, an increase of 137.4 billion yen from the previous fiscal year. The major positive factors were 596.6 billion yen in income before income taxes, a 36.7 billion yen in depreciation and amortization, and a 32.0 billion yen increase in customer advances. The major negative factors were 195.5 billion yen increase in notes and accounts receivable-trade, and contract assets, a 106.0 billion yen in income taxes paid, and a 100.3 billion yen increase in inventories.

Cash flows from investing activities were negative 55.6 billion yen compared to negative 18.2 billion yen in the same period of the previous fiscal year. This was largely due to the payment of 56.1 billion yen for the purchase of fixed assets.

Cash flows from financing activities were negative 167.2 billion yen compared to negative 114.5 billion yen in the same period of the previous fiscal year. This was largely due to the payment of 166.2 billion yen in dividends.

Production, Orders and Sales Results

We conduct production activities while flexibly responding to market changes. As our production trends are similar to those of our sales, we omit description of these results. We also do not indicate order results because they are not necessarily an appropriate indicator for projecting medium- to long-term corporate performance, with short-term orders tending to fluctuate significantly according to customers' investment trends.

Sales results by major customer and their ratio to total sales results are as shown below.

Fiscal 2021 (Fiscal year ended March 31, 2021)

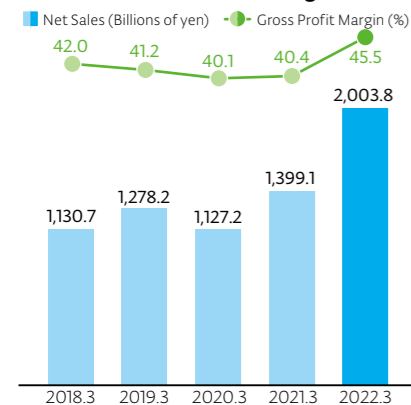
Name of customer	Sales (Millions of yen)	Ratio (%)
Samsung Electronics Co., Ltd.	256,656	18.3
Intel Corporation	193,706	13.8
Taiwan Semiconductor Manufacturing Company Ltd.	164,340	11.7

Fiscal 2022 (Fiscal year ended March 31, 2022)

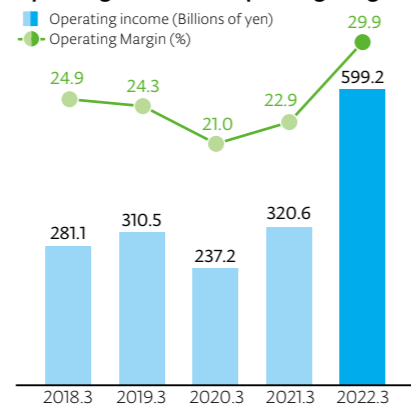
Name of customer	Sales (Millions of yen)	Ratio (%)
Samsung Electronics Co., Ltd.	312,279	15.6
Intel Corporation	303,982	15.2
Taiwan Semiconductor Manufacturing Company Ltd.	231,393	11.5

Note: The amounts include sales to the customer and its subsidiaries

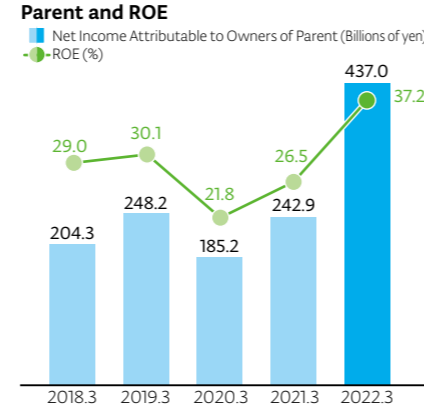
Net Sales and Gross Profit Margin



Operating Income and Operating Margin



Net Income Attributable to Owners of Parent and ROE



Financial Conditions

	Millions of yen				
	2018.3	2019.3	2020.3	2021.3	2022.3
Total current assets	¥946,597	¥982,897	¥962,484	¥1,015,696	¥1,408,703
Net property, plant and equipment	125,952	150,069	175,580	196,967	223,078
Total investments and other assets	130,246	124,661	140,431	212,699	262,676
Total assets	1,202,796	1,257,627	1,278,495	1,425,364	1,894,457
Total current liabilities	368,452	304,882	382,578	327,661	468,578
Total liabilities	431,287	369,510	448,802	400,801	547,408
Total net assets	771,509	888,117	829,692	1,024,562	1,347,048

Notes: From fiscal 2019, the Company applied the Accounting Standard Board of Japan's "Partial Amendments of Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, revised on February 16, 2018). Total current assets, total investments and other assets, total assets and total liabilities for fiscal 2018 have been restated in accordance with the revised accounting standard

Cash Flows

	Millions of yen				
	2018.3	2019.3	2020.3	2021.3	2022.3
Cash flows from operating activities	¥186,582	¥189,572	¥253,117	¥145,888	¥283,387
Cash flows from investing activities	(11,833)	(84,033)	15,951	(18,274)	(55,632)
Cash flows from financing activities	(82,549)	(129,761)	(250,374)	(114,525)	(167,256)
Cash and cash equivalents at end of year	257,877	232,634	247,959	265,993	335,648

### Management Discussion and Analysis of State of Operating Results

Our operating results for fiscal 2022 were a record-high 2,003.8 billion yen, an increase of 43.2% from the previous fiscal year, due to active capital expenditure by customers in the semiconductor production equipment market.

Together with the significant increase in net sales, operating income also reached 599.2 billion yen, an increase of 86.9% from the previous fiscal year, and the operating margin was 29.9%, an increase of 7.0 points from the previous fiscal year. This was mainly due to the increase in gross profit margin from the increase in sales of newly acquired high value-added processes in the key fields, and the decrease in the ratio of selling, general and administrative expenses arising from the significant increase in net sales. Total R&D expenses increased by 21.6 billion yen (year-on-year growth of 15.8%) from the previous fiscal year to a record-high of 158.2 billion yen in order to achieve the financial model of the Medium-term Management Plan announced in May 2019 as well as to achieve further growth in the future.

Net income attributable to owners of parent—which is operating income with other income and expenses reflected less tax expenses—was 437.0 billion yen, and its ratio against net sales was 21.8%, an increase of 4.4 points from the previous fiscal year. Net income per share was 2,807.84 yen due to the increase in profits resulting from the increase in net sales, as mentioned above.

With regard to objective indicators to assess the achievement status of management policy, management strategy and management goals, the Group uses net sales, operating margin and return on equity (ROE) as indicators for the financial model of the Medium-term Management Plan.

The following is our understanding, analysis and consideration about the state of operating results for each segment. Please note that segment profit corresponds to income before income taxes on the consolidated statements of income.

#### •Semiconductor Production Equipment

Capital investment in semiconductors for logic/foundry has been robust in a wide range of areas, from cutting-edge to mature generations of semiconductors, driven by the digitalization of society. Furthermore, as the quantity of data being handled continues to increase on an annual basis, capital investments in both DRAM and NAND flash memory continue to see high levels of investment. Consequently, net sales to customers in this segment during fiscal 2022 were 1,943.8 billion yen an increase of 47.8% from previous fiscal year. Segment profit was 667.4 billion yen, an increase of 84.1% from the previous fiscal year. As described as the business environment, customers have been actively investing in new equipment against a backdrop of growing demand for semiconductors, and our sales strategies in the key fields have progressed steadily. As a result, net sales in fiscal 2022 increased significantly, especially for logic/foundry and DRAM. In addition, net sales of used equipment and modifications as well as parts and services also grew steadily due to an increase in the cumulative number of equipment installations and high equipment utilization by customers.

The segment profit margin for fiscal 2022 was 34.3%, up 6.7 points from 27.6% in the previous fiscal year. This was mainly due to a decline in the ratio of fixed costs associated with substantial increase in net sales as a result of the Company succeeding in reliably responding to rapidly increased demand for semiconductor production equipment.

#### •FPD Production Equipment

As capital investment for large-sized LCD panels for televisions has run its course, the overall manufacturing equipment market for FPD TFT arrays has slowed. Meanwhile, capital investments in small and medium-sized OLED panels continues in conjunction with displays installed in end products being converted from LCD panels to OLED panels. Consequently, net sales to external customers in this segment during fiscal 2022 were 59.8 billion yen, a decrease of 28.6% from the previous fiscal year. Segment

profit was 3.8 billion yen, a decrease of 56.1% from the previous fiscal year. With fiscal 2022 being a transition period to shift from LCD to OLED, capital investment was adjusted for FPD production equipment. Consequently, net sales in this segment decreased.

The segment profit margin for fiscal 2022 was 6.5%, down 4.0 points from 10.5% in the previous fiscal year. This was mainly due to a decrease in sales of new equipment in fiscal 2022 amid customers' adjustments to their investment for FPD production equipment.

### Management Discussion and Analysis of State of Financial Conditions and Cash Flows, and Information Related to Sources of Capital and Fluidity of Funds

Regarding our financial conditions, total assets stood at 1,894.4 billion yen at the end of fiscal 2022, an increase of 469.0 billion yen from the end of the previous fiscal year. This was mainly due to the increase in notes and accounts receivable – trade, and contract assets, inventories, property, plant and equipment, and investment securities included in investments and other assets. Notes and accounts receivable – trade, and contract assets reached 433.9 billion yen, an increase of 242.2 billion yen from the end of the previous fiscal year, due to the significant increase in net sales against the backdrop of rapid growth in the market for semiconductor production equipment. Inventories reached 473.8 billion yen, an increase of 58.5 billion yen from the end of the previous fiscal year, in reflection of the robust demand for equipment and spare parts—which will continue into the following fiscal year—as well as a result of incorporating measures such as leveling of production. Tangible fixed assets reached 223.0 billion yen, an increase of 26.1 billion yen from the end of the previous fiscal year. The increase mainly reflects the acquisition of equipment and metrology tools necessary for R&D of leading-edge technology and the construction completion of the Miyagi Technology Innovation Center, which is intended for

development of production technology and collaboration with suppliers, as well as a new development building under construction in Nirasaki City, Yamanashi Prefecture. Investment securities increased 39.9 billion yen year-on-year to 144.9 billion yen due to the higher market prices of strategically-held listed shares. Due to these factors, total assets increased since the end of the previous fiscal year, but as the increase in net sales was greater, the turnover period for total assets\* decreased from 353 days in the previous fiscal year to 301 days, improving asset efficiency.

Regarding cash flows, the balance of cash and cash equivalents including deposits and short-term investments with original maturities of more than three months decreased 59.7 billion yen year-on-year to 371.2 billion yen. This was largely attributable to significant growth in business performance for fiscal 2022.

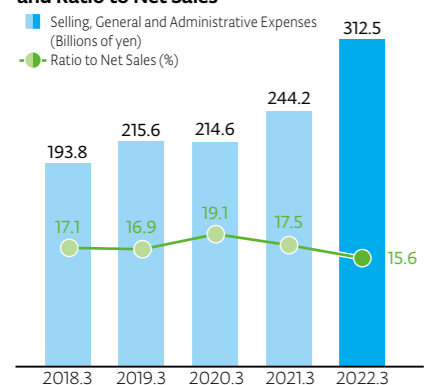
With the expansion of business, the level of inventories continued to rise and necessary working capital increased in fiscal 2022. Against this background, we continued growth investments, such as investment in R&D to create innovative technologies with high added value that meet growing technological demands and differentiate us from competitors, and collaboration with suppliers in consideration of production technology innovations and reduction of environmental impact. At the same time, we returned 166.2 billion yen to our shareholders based on our shareholder return policy of a 50% dividend payout ratio. These were all covered using cash on hand obtained through business operations. We will continue to maintain a solid financial foundation built up by a high profit margin, and at the same time, undertake growth investments for the future and proactive efforts to return profits to shareholders.

Return on equity (ROE), one of our management indicators, increased from 26.5% in the previous fiscal year to 37.2%, improving capital efficiency. This was due to the increase in the ratio of net income attributable to owners of parent against net sales as well as the decrease in the turnover period for total assets.

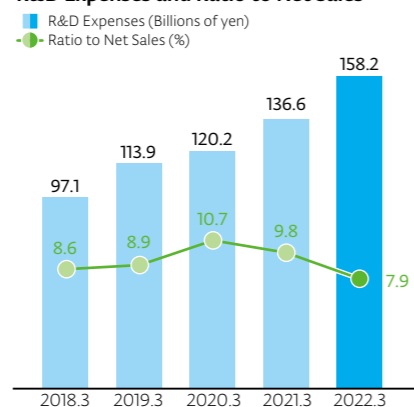
\* Turnover period for total assets = Average total assets / Net sales × 365

For the details of financial data, please refer to the "Consolidated Financial Statements" on the Company's website. [www.tel.com/ir/library/consolidated-financial-statements/](http://www.tel.com/ir/library/consolidated-financial-statements/)

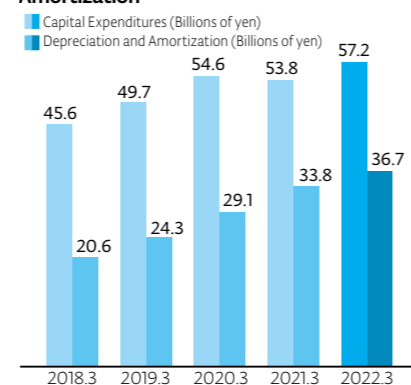
**Selling, General and Administrative Expenses and Ratio to Net Sales**



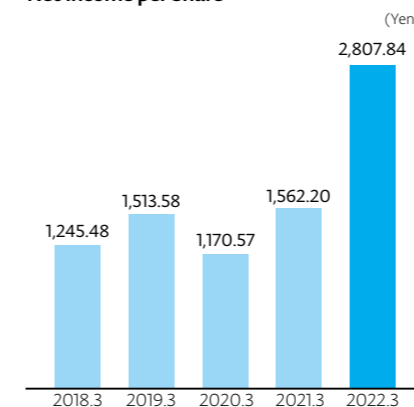
**R&D Expenses and Ratio to Net Sales**



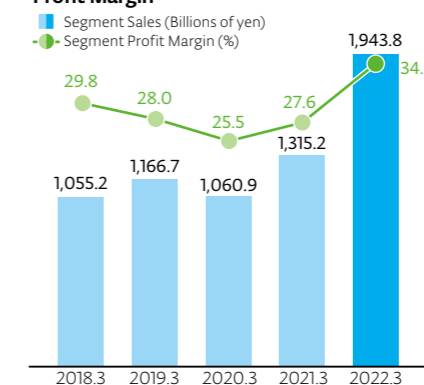
**Capital Expenditures and Depreciation and Amortization**



**Net Income per Share**

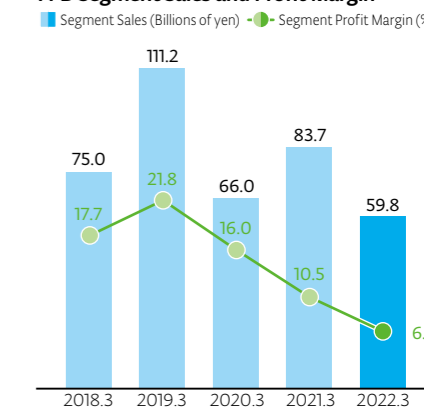


**Semiconductor Segment Sales and Profit Margin**



Notes: Segment profit corresponds to income before income taxes on the consolidated statements of income.

**FPD Segment Sales and Profit Margin**



Notes: Segment profit corresponds to income before income taxes on the consolidated statements of income.

## Consolidated Eleven-Year Summary

Tokyo Electron Limited and Subsidiaries  
From fiscal 2012 to fiscal 2022

The amounts in this summary in millions and thousands of yen; thousands of U.S. dollars; and thousands of shares as of and for the years ended March 31, 2016 and prior are rounded to the nearest unit. Such amounts as of and for the years ended March 31, 2017 and onward are truncated at the nearest unit. Accordingly, totals for the years ended March 31, 2017 and onward do not necessarily agree with the sum of the corresponding individual amounts.

	Thousands of U.S. dollars				Millions of yen								
	2022.3 <sup>6</sup>	2022.3 <sup>6</sup>	2021.3	2020.3	2019.3	2018.3	2017.3	2016.3	2015.3	2014.3	2013.3	2012.3	
Net sales <sup>1</sup>	\$ 16,372,300	¥ 2,003,805	¥ 1,399,102	¥ 1,127,286	¥ 1,278,240	¥ 1,130,728	¥ 799,719	¥ 663,949	¥ 613,125	¥ 612,170	¥ 497,300	¥ 633,091	
Semiconductor production equipment	15,882,375	1,943,843	1,315,200	1,060,997	1,166,781	1,055,234	749,893	613,033	576,242	478,842	392,027	477,873	
FPD production equipment	488,849	59,830	83,772	66,092	111,261	75,068	49,387	44,687	32,710	28,317	20,077	69,889	
PV production equipment	—	—	—	—	—	—	—	—	3,618	3,806	83	—	
Electronic components and computer networks	—	—	—	—	—	—	—	—	—	100,726	84,665	84,868	
Other	1,075	131	129	197	197	425	438	6,229	555	479	448	461	
Operating income	4,896,405	599,271	320,685	237,292	310,571	281,172	155,697	116,789	88,113	32,205	12,549	60,443	
Income (loss) before income taxes	4,875,384	596,698	317,038	244,626	321,508	275,242	149,116	106,467	86,828	(11,756)	17,767	60,602	
Net income (loss) attributable to owners of parent	3,571,176	437,076	242,941	185,206	248,228	204,371	115,208	77,892	71,888	(19,409)	6,076	36,726	
Comprehensive income (loss)	3,972,410	486,183	305,801	187,084	242,696	206,152	119,998	60,984	80,295	(10,889)	15,826	36,954	
Domestic sales	1,882,250	230,368	197,566	161,812	208,796	148,760	101,122	121,808	95,046	161,631	118,504	171,364	
Overseas sales	14,490,049	1,773,437	1,201,535	965,474	1,069,443	981,967	698,597	542,141	518,079	450,539	378,796	461,727	
Depreciation and amortization <sup>2</sup>	300,081	36,727	33,843	29,107	24,323	20,619	17,872	19,257	20,878	24,888	26,631	24,198	
Capital expenditures <sup>3</sup>	468,080	57,288	53,868	54,666	49,754	45,603	20,697	13,341	13,184	12,799	21,774	39,541	
R&D expenses	1,293,048	158,256	136,648	120,268	113,980	97,103	83,800	76,287	71,350	78,664	73,249	81,506	
Total assets <sup>5</sup>	15,478,858	1,894,457	1,425,364	1,278,495	1,257,627	1,202,796	957,447	793,368	876,154	828,592	775,528	783,611	
Total net assets	11,006,199	1,347,048	1,024,562	829,692	888,117	771,509	645,999	564,239	641,163	590,614	605,127	598,603	
Number of employees		15,634	14,479	13,837	12,742	11,946	11,241	10,629	10,844	12,304	12,201	10,684	
Net income (loss) per share of common stock:	U.S. dollars				Yen								
Basic	\$ 22.94	¥ 2,807.84	¥ 1,562.20	¥ 1,170.57	¥ 1,513.58	¥ 1,245.48	¥ 702.26	¥ 461.10	¥ 401.08	¥ (108.31)	¥ 33.91	¥ 205.04	
Diluted <sup>4</sup>	22.83	2,793.89	1,553.29	1,164.02	1,507.22	1,241.22	700.35	460.00	400.15	—	33.85	204.72	
Net assets per share of common stock	70.04	8,572.45	6,512.18	5,267.96	5,371.78	4,674.49	3,919.50	3,428.37	3,567.23	3,225.92	3,309.58	3,275.14	
Cash dividends per share of common stock	11.46	1,403.00	781.00	588.00	758.00	624.00	352.00	237.00	143.00	50.00	51.00	80.00	
Number of shares outstanding (thousands)		157,210	157,210	157,210	165,210	165,210	165,210	165,211	180,611	180,611	180,611	180,611	
Number of shareholders		34,258	29,547	30,348	50,843	35,186	21,937	24,664	20,829	30,563	41,287	42,414	
ROE		37.2	26.5	21.8	30.1	29.0	19.1	13.0	11.8	(3.3)	1.0	6.3	
Operating margin		29.9	22.9	21.0	24.3	24.9	19.5	17.6	14.4	5.3	2.5	9.5	
Equity ratio <sup>5</sup>		70.5	71.1	64.1	70.0	63.8	67.2	70.9	73.0	69.8	76.5	74.9	
Total asset turnover (times) <sup>5</sup>		1.21	1.03	0.89	1.04	1.05	0.91	0.80	0.72	0.76	0.64	0.79	
Net sales per employee	U.S. dollars				Thousands of yen								
	\$ 1,047,224	¥ 128,169	¥ 96,629	¥ 81,468	¥ 100,317	¥ 94,653	¥ 71,143	¥ 62,466	¥ 56,540	¥ 49,754	¥ 40,759	¥ 59,256	

<sup>1</sup> From fiscal 2015, Electronic components and computer networks were excluded because Tokyo Electron Device Limited, a former consolidated subsidiary, became an equity method affiliate. Photovoltaic panel (PV) production equipment was included in FPD production equipment until fiscal 2012 but from fiscal 2016, it has been included in Other.

<sup>2</sup> Depreciation and amortization does not include amortization and loss on impairment of goodwill.

<sup>3</sup> Capital expenditures only represent the gross increase in property, plant and equipment.

<sup>4</sup> Dilution is not assumed for the year ended March 31, 2014.

<sup>5</sup> From fiscal 2019, the Company applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Statement No. 28, revised on February 16, 2018) released by the ASBJ. Accordingly, total assets, equity ratio and total asset turnover for fiscal 2018 have been restated.

<sup>6</sup> From fiscal 2022, the Company applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020). Each number for fiscal 2022 includes the effects of the new standards.

## Sustainability Data

## Social

Tokyo Electron Limited and Subsidiaries

From fiscal 2018 to fiscal 2022

\* ● denotes data in the "Tokyo Electron Sustainability Report 2022" with third-party assurance. www.tel.com/sustainability/report/

## Composition of Employees (Japan and entire Group)

	2018.3	2019.3	2020.3	2021.3	2022.3
Number of regular employees	11,696	12,469	13,542	14,022	15,140
Regular employees (Region/Entire Group)					
Japan	7,268	7,526	7,806	7,921	8,234
Rest of Asia	2,218	2,832	3,494	3,796	4,328
Europe and Middle East	492	513	528	509	578
North America	1,718	1,598	1,714	1,796	2,000

	2018.3	2019.3	2020.3	2021.3	2022.3
Number of employees	7,516	7,797	8,100	8,296	8,661
Regular employees	7,268	7,526	7,806	7,921	8,234
Employees (Employment type/Japan)					
Men	6,292	6,479	6,681	6,722	6,944
Women	976	1,047	1,125	1,199	1,290
Non-regular employees	248	271	294	375	427
Men	181	220	263	348	403
Women	67	51	31	27	24

## Recruitment/Employment (Japan and part of entire Group included)

	2018.3	2019.3	2020.3	2021.3	2022.3
Number hired	167	199	281	253	209
New graduates hired					
Under 30 yrs. old	163	198	280	252	208
Men	131	166	233	207	177
Women	32	32	47	45	31
30-49 yrs. old	4	1	1	1	1
Men	4	1	1	1	0
Women	0	0	0	0	1
50 yrs. old and over	0	0	0	0	0
Men	0	0	0	0	0
Women	0	0	0	0	0
Percentage of women	19.2	16.1	16.7	17.8	15.3
Number hired	262	239	150	191	400
Career-track recruits					
Under 30 yrs. old	102	85	42	56	131
Men	85	67	35	49	96
Women	17	18	7	7	35
30-49 yrs. old	156	145	96	123	250
Men	135	119	82	92	202
Women	21	26	14	31	48
50 yrs. old and over	4	9	12	12	19
Men	3	5	10	11	17
Women	1	4	2	1	2
Percentage of women	14.9	20.1	15.3	20.4	21.3
Percentage hired (TEL)	2.22	2.18	2.06	2.43	2.32
Percentage hired (Group in Japan)	1.91	2.04	2.01	2.3	2.37
Number of people	—	—	—	—	163
Female managers <sup>1,2</sup> (Entire Group)					
Percentage	—	—	—	—	5.5
Number of people (senior directors and above <sup>3</sup> )	—	—	—	—	10
Percentage (senior directors and above <sup>3</sup> )	—	—	—	—	2.2
Number of people (Japan)	20	22	23	26	46
Percentage (Japan)	1.8	2.0	2.0	2.2	2.6
Number of users	156	201	242	313	389
Reemployment system					
Men	155	196	235	305	376
Women	1	5	7	8	13

1 Percentage of female managers, calculation method: Number of female managers/Number of managers × 100 (Include experts in the number of managers from fiscal 2022)

2 As of March 31, 2022 3 Employees of a certain level or position based on the global human resources system

	2018.3	2019.3	2020.3	2021.3	2022.3
Number of users	31	30	23	23	18
Second career support system					
Men	30	28	18	20	15
Women	1	2	5	3	3
Percentage of regular employees who received regular performance and career evaluations	100.0	100.0	100.0	100.0	100.0

## Employee Retention (Japan and part of entire Group included)

	2018.3	2019.3	2020.3	2021.3	2022.3
Retention after three years of joining TEL <sup>1</sup>	93.4	93.0	93.8	94.1	94.7
Employee retention					
Men	94.3	93.5	94.6	94.8	95.0
Women	87.1	88.0	88.6	89.3	93.5
Average service years	17 yrs. 1 mo.	17 yrs. 2 mos.	17 yrs. 2 mos.	17 yrs. 4 mos.	17 yrs. 2 mos.
Men	17 yrs. 4 mos.	17 yrs. 5 mos.	17 yrs. 5 mos.	17 yrs. 7 mos.	17 yrs. 6 mos.
Women	15 yrs. 7 mos.	15 yrs. 8 mos.	15 yrs. 11 mos.	15 yrs. 10 mos.	15 yrs. 8 mos.
Employee turnover	103	108	82	87	87
Men	82	88	54	75	69
Women	21	20	28	12	18
Turnover <sup>2</sup>					
Turnover percentage	1.4	1.4	1.0	1.0	1.0
Employee turnover (Entire Group)	—	—	—	—	589
Men	—	—	—	—	507
Women	—	—	—	—	82
Turnover percentage (Entire Group)	—	—	—	—	4.2

1 Average in recent five years 2 Turnover due to personal circumstances

## Work-life Balance (Japan)

	2018.3	2019.3	2020.3	2021.3	2022.3
Annual paid leave					
Take-up rate*	64.3	67.2	72.6	62.5	64.6
Refreshment leave					
Number of those who took leave	639	605	901	688	512
Men	556	507	773	610	435
Women	83	98	128	78	77
Paternity leave					
Number of those who took leave	180	155	184	148	137
Childcare leave					
Number of those who took leave	41	56	46	41	70
Men	4	8	12	16	36
Women (percentage who took leave)	37 (92.5)	48 (100.0)	34 (97.1)	25 (92.6)	34 (97.1)
Number of those who returned to work after leave	44	43	48	54	60
Men	6	6	8	15	32
Women	38	37	40	39	28
Percentage reinstated	93.6	93.5	94.1	96.4	95.2
Retention rate	90.0	88.9	93.3	95.0	90.0
Shorter working hour system					
Number of those who used	176	153	149	132	110
Men	24	8	11	9	7
Women	152	145	138	123	103
Leave to care for sick/injured child					
Number of those who took leave	455	517	625	510	547
Men	281	334	428	353	373
Women	174	183	197	157	174
Childcare support leave					
Number of those who took leave	120	129	125	86	80
Men	19	26	26	29	23
Women	101	103	99	57	57
Extended nursing care leave					
Number of those who took leave	3	5	2	2	1
Men	2	2	2	0	0
Women	1	3	0	2	1
Short nursing care leave					
Number of those who took leave	47	63	95	110	87
Men	25	38	56	69	57
Women	22	25	39	41	30
Shorter working hour system for nursing care					
Number of those who used	0	2	2	0	4
Men	0	0	1	0	2
Women	0	2	1	0	2

\* Take-up rate of annual paid leave, calculation method: (Days of paid leave taken by employees\*) / (Days of paid leave provided to employees\*) × 100 \* Incl. non-regular employees

## Customers

	2018.3	2019.3	2020.3	2021.3	2022.3
Percentage of respondents who selected "Very Satisfied" or "Satisfied" in the customer satisfaction survey	59.4	84.4	93.3	96.7	100.0

Products/Innovation

	2018.3	2019.3	2020.3	2021.3	2022.3
Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services	0	0	0	0	0
Number of active issued patents	16,767	17,473	18,137	18,692	19,572
Active issued patents (Region/Country)					
Japan	5,091	5,304	5,348	5,484	5,703
U.S.	4,321	4,415	4,606	4,822	4,988
Europe	185	179	191	206	167
Korea	2,864	3,076	3,223	3,363	3,731
Taiwan	2,675	2,817	2,948	2,925	3,014
China	1,631	1,682	1,821	1,892	1,969

	2016.12*	2017.12*	2018.12*	2019.12*	2020.12*
Global patent application rate	76.1	81.2	79.8	74.3	74.6
Patent application success rate					
Japan	71.5	82.9	83.1	84.9	79.8
U.S.	78.0	85.1	85.5	87.3	83.9

\* Calendar year when patents were filed/granted

Safety

	2018.3	2019.3	2020.3	2021.3	2022.3
Percentage of employees who received training on basic safety	100	100	100	100	100
Percentage of employees who received training on advanced safety	100	100	100	100	100
Lost time incident rate (LTIR)	0.77	0.40	0.51	0.63	0.66
Number of workplace injuries per 200,000 work hours (TCIR)	0.38	0.20	0.23	0.27	0.30

Procurement

	2018.3	2019.3	2020.3	2021.3	2022.3
Percentage of new important suppliers screened using social criteria	100	100	100	100	100
Rate of improvement after supply chain sustainability assessment	20.7	—*	35.8	23.1	31.5
Rate of improvement after supply chain BCP assessment	21.2	19.4	16.0	20.3	24.4
Number of identified RMAP conformant smelters (rate of identification)	249 (100)	253 (100)	261 (100)	236 (100)	243 (100)

\* Unable to compare with previous fiscal year due to comprehensive revisions, including the survey

Governance

	2018.3	2019.3	2020.3	2021.3	2022.3
Total number of critical incidents notified to the Board of Directors	0	0	0	0	0
Total number of incidents subject to legal action on the basis of anti-competitive conduct, antitrust activity or monopolistic practices where the governance body's involvement was revealed	0	0	0	0	0
Number of executive officers who received training on anti-corruption <sup>1</sup>	13	0	0	15	20
Total number (percentage) of directors who provided instructions on the body's policies and procedures in relation to anti-corruption <sup>1</sup>	12 (100)	12 (100)	11 (100)	11 (100)	12 (100)
Total number (percentage) of directors who received training on anti-corruption <sup>1</sup>	9 (75.0)	0 (0)	11 (100)	0 (0)	0 (0)
Payment to industry groups, etc. (thousand yen) <sup>2</sup>	20,543	21,093	29,927	32,036	56,374
Payment to politically affiliated organizations (yen)	0	0	0	0	0
Average tenure of directors	8.04	7.36	4.84	6.09	6.58
Average rate of attendance for Board meetings	99.46	98.24	99.39	98.96	99.50

<sup>1</sup> Scope: Japan <sup>2</sup> Industry groups were reviewed from fiscal 2022

Compliance

	2018.3	2019.3	2020.3	2021.3	2022.3
Education on TEL's Code of Ethics/pledge rate <sup>1</sup>	—	—	—	98.8	91.6
Percentage of employees who have consented to the information security agreement	99.9	100.0	100.0	99.4	99.9
Significant fines and non-monetary sanctions for non-compliance with laws and regulations in the social and economic area	0	0	0	0	0

\* Scope: Entire Group

Social Contribution

	2018.3	2019.3	2020.3	2021.3	2022.3
Spending on social contribution (million yen)*	238	281	250	244	170
Cash donations breakdown					
Charity donations (providing donations/relief supplies to charity organizations)	13	11	4	13	15
Community investment (charitable expenses for long-term cause for community)	49	55	68	62	75
Commercial initiatives (charitable expenses with anticipated effects on business growth)	38	34	28	25	10

\* Spending on social contribution activities excluding disaster relief contributions

Environment

Tokyo Electron Limited and Subsidiaries

From fiscal 2018 to fiscal 2022

\* ● denotes data in the "Tokyo Electron Sustainability Report 2022" with third-party assurance. [www.tel.com/sustainability/report/](http://www.tel.com/sustainability/report/)

Greenhouse Gas Consumption/Emissions

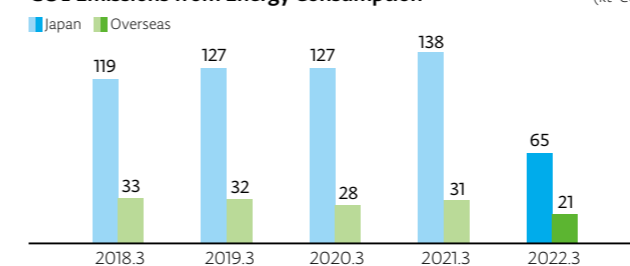
	2018.3	2019.3	2020.3	2021.3	2022.3
Emissions metric (sales) (t-CO <sub>2</sub> /billion yen)	1.34	1.24	1.38	1.21	0.43
Emissions (kt-CO <sub>2</sub> )	152	159	155	169	86
CO <sub>2</sub> from energy consumption					
Japan	119	127	127	138	65
Overseas	33	32	28	31	21
CO <sub>2</sub> by scope					
Scope 1 emissions (kt-CO <sub>2</sub> )	9	9	11	12	12
Japan, energy-derived	7	7	10	10	10
Overseas, energy-derived	2	2	2	2	2
Scope 2 emissions (kt-CO <sub>2</sub> )	143	150	144	157	74
Japan	112	120	118	128	55
Overseas	31	30	26	29	19
Scope 3 emissions (kt-CO <sub>2</sub> )	23,163	25,354	22,691	24,453	29,020
Non-energy-derived greenhouse gas					
Consumption (kt-CO <sub>2</sub> e) (Japan)	26	47	59	70	66
Japan - HFCs	3	3	6	5	5
Japan - PFCs	11	18	24	30	30
Japan - SF <sub>6</sub>	4	11	11	7	11
Japan - Other	8	15	18	28	20
Consumption (kt-CO <sub>2</sub> e) (Overseas)	—	—	—	—	6
Overseas - HFCs	—	—	—	—	0
Overseas - PFCs	—	—	—	—	1
Overseas - SF <sub>6</sub>	—	—	—	—	1
Overseas - Other	—	—	—	—	4
Scope 1 emissions (kt-CO <sub>2</sub> e)	8	15	16	17	4

- Scope 1: Direct GHG emissions from use of fuel and gas we owned or controlled  
Calculation method: Emissions = Σ (fuel consumed × CO<sub>2</sub> emission factor)  
Emission factor based on Japan's Act on Promotion of Global Warming Countermeasures
- Scope 2: Indirect GHG emissions from use of electricity we purchased  
Calculation method: Emissions = Σ (purchased electricity × CO<sub>2</sub> emission factor)  
Adjusted emission factors for the electrical power providers concerned based on Japan's Act on Promotion of Global Warming Countermeasures were used as the emission factor for Japan  
Emission factors based on values from the Emissions Factors 2019 edition published by the International Energy Agency (IEA) were used as the emission factor for overseas electricity consumption
- Scope 3: Emissions from corporate value chains (excluding scope 1 and 2 emissions), such as product transportation, employee business travel and major outsourced production processes  
The entire scope is divided into 15 categories, of which calculations were made for categories 1, 2, 3, 4, 5, 6, 7, 9, 11 and 12. Past category 11 was reviewed. Calculations for categories 8, 10, 13, 14 and 15 were not made as they are either not included in our activities or have already been included in other categories.
- Scope 1: Non-energy-derived CO<sub>2</sub> and greenhouse gases other than CO<sub>2</sub>  
Calculation method: Emissions = Σ (consumption × emission per unit consumption - amount recovered and properly treated) × global warming factor  
Global warming factor is based on Japan's Act on Promotion of Global Warming Countermeasures.  
From fiscal 2022, the value for the amount recovered and properly treated have been reviewed to match actual conditions.

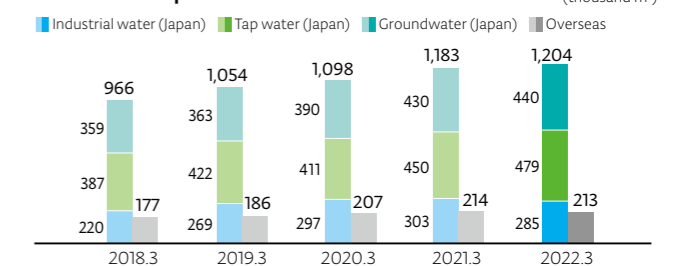
Resource Consumption

	2018.3	2019.3	2020.3	2021.3	2022.3
Consumption (thousand m <sup>3</sup> )	1,143	1,240	1,305	1,397	1,417
Water					
Japan	966	1,054	1,098	1,183	1,204
Groundwater	359	363	390	430	440
Tap water	387	422	411	450	479
Industrial water	220	269	297	303	285
Overseas	177	186	207	214	213
Copier paper					
Use (t) (Japan)	194	165	132	38	32

CO<sub>2</sub> Emissions from Energy Consumption



Water Consumption



Energy Consumption/Generation

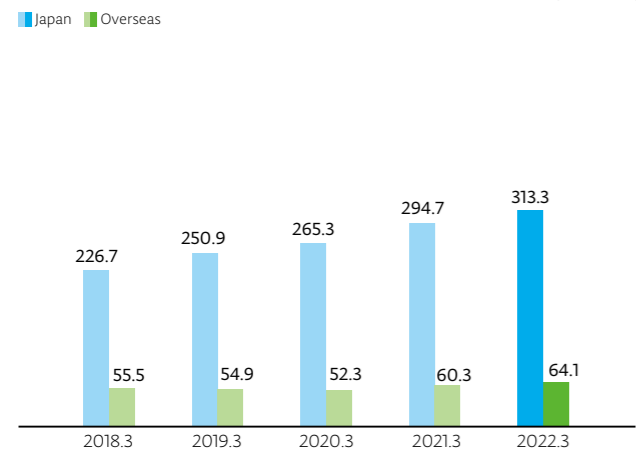
		2018.3	2019.3	2020.3	2021.3	2022.3
Energy	Consumption metric (sales) (kL/billion yen)	0.67	0.63	0.75	0.68	0.50
	Consumption (crude oil equivalent) (kL) <sup>1,2</sup>	75,199	81,074	85,074	94,746	100,265
	Japan	59,765	65,897	70,642	78,126	82,703
	Overseas	15,434	15,177	14,432	16,620	17,562
Electricity	Consumption (MWh)	282,274	305,795	317,614	354,961	377,432
	Japan	226,747	250,911	265,293	294,652	313,322
	Overseas	55,527	54,884	52,321	60,309	64,110
Gas (city gas, LPG)	Consumption (crude oil equivalent) (kL)	3,083	2,991	3,565	3,820	3,796
	Japan	1,947	1,948	2,611	2,728	2,738
	Overseas	1,136	1,043	954	1,092	1,058
	Consumption (crude oil equivalent) (kL) <sup>1,2</sup>	1,040	1,072	1,624	1,667	1,625
Fuel (heavy oil A, diesel oil, kerosene, gasoline)	Japan	1,026	1,055	1,603	1,651	1,612
	Overseas	14	17	21	16	13
	Purchase (MWh)	3,458	3,834	3,334	4,980	227,523
Renewable energy (electricity)	Japan	0	0	0	0	197,137
	Overseas	3,458	3,834	3,334	4,980	30,386
	Power generation (MWh)	4,414	4,392	3,804	4,068	3,890
PV power generation system	Japan	4,414	4,392	3,804	4,068	3,890
	Overseas	0	0	0	0	0
	Power sales (MWh) <sup>3</sup>	1,386	1,382	1,225	1,285	1,195
Power sales	Japan	1,386	1,382	1,225	1,285	1,195
	Overseas	0	0	0	0	0
	Power use percentage	2	2	2	2	60
Renewable energy (electricity) use rate	Japan	1	1	1	1	63
	Overseas	6	7	6	8	47

<sup>1</sup> Calculated using the conversion factors for fuel, gas and electricity in relation to the "Act on Rationalizing Energy Use"  
<sup>2</sup> Past energy consumption and fuel consumption were reviewed <sup>3</sup> Heat and steam not sold

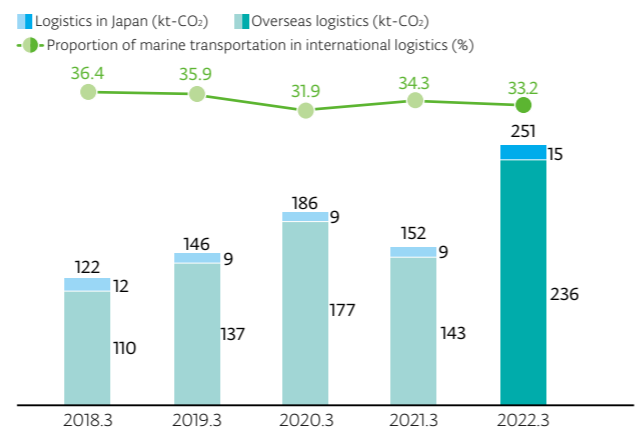
Environmental Impact of Logistics

		2018.3	2019.3	2020.3	2021.3	2022.3
CO <sub>2</sub>	Emissions (kt-CO <sub>2</sub> )	122	146	186	152	251
	Japan	12	9	9	9	15
	Overseas	110	137	177	143	236
Proportion of marine transportation (international)		36.4	35.9	31.9	34.3	33.2

Electricity Consumption



CO<sub>2</sub> Emissions from Logistics and the Proportion of Marine Transportation



Amount of Waste Generated

		2018.3	2019.3	2020.3	2021.3	2022.3
Waste	Amount generated (t)	14,435	14,960	13,989	14,997	14,465
	Japan	13,694	14,208	12,973	13,705	12,927
	Overseas	741	752	1,016	1,292	1,538
Dangerous/Hazardous waste	Amount generated (t)	5,158	6,951	6,228	7,227	5,232
	Japan (Specially controlled industrial waste)	4,904	6,619	5,911	6,718	4,706
	Overseas (Dangerous/Hazardous waste per country)	254	332	317	509	526
Recycling	Recycled amount (t)	14,211	14,770	13,748	14,814	14,195
	Japan	13,561	14,092	12,831	13,587	12,795
	Overseas	650	678	917	1,227	1,400
Incinerated and landfill waste	Amount of waste (t)	224	190	241	183	270
	Japan	133	116	142	118	132
	Overseas	91	74	99	65	138
Water discharges	Water discharge volume (thousand m <sup>3</sup> )	905	1,006	1,078	1,195	1,194
	Japan	759	850	900	1,006	1,009
	Overseas	146	156	178	189	185

Chemical Substances Consumption/Emissions (Japan)

		2018.3	2019.3	2020.3	2021.3	2022.3
PRTR Class I designated chemical substances	Volume handled (t)	100	101	121	144	119
	Ferric chloride	82	84	98	106	85
	Hydrogen fluoride and its water-soluble salts	12	11	12	24	22
	Methylnaphthalene	5	5	10	13	11
	VOCs*	0.0	0.0	0.1	0.1	0.1
	Other	1	1	1	1	1
Amount transported (waste amount) (t)		95	96	111	131	108
Consumption (t)		5	5	10	13	11
NOx	Emissions (t)	11.5	9.6	11.9	13.0	13.1
SOx	Emissions (t)	2.7	2.8	4.0	4.9	4.8

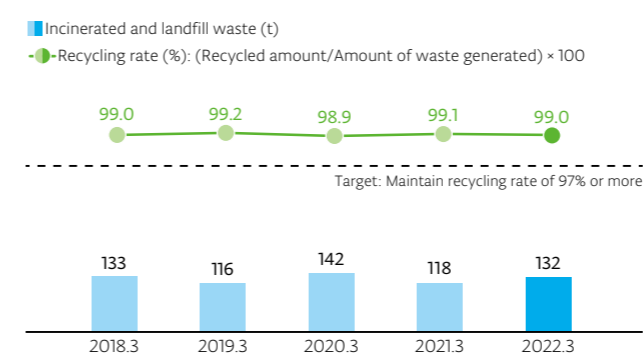
\* VOCs: Volatile Organic Compounds

Other

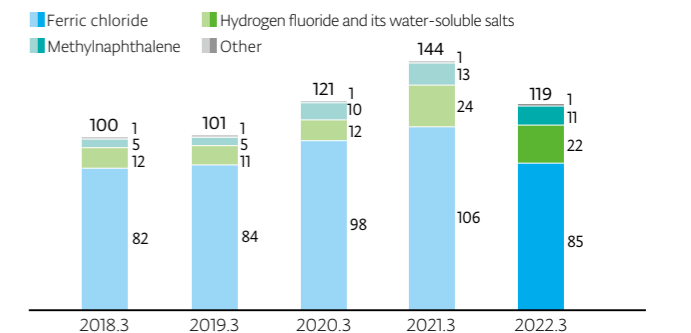
		2018.3	2019.3	2020.3	2021.3	2022.3
ISO 14001	Number of certified offices	9	9	9	11	11
	Japan	5	5	5	5	5
	Overseas	4	4	4	6	6
Biodiversity	Number of ecosystem tours*	22	17	18	18	16
	Number of ecosystem tour participants*	718	595	368	52	87
Environmental laws and regulations	Number of breaches of environmental laws and regulations	0	0	0	0	0
	Amount of fines for breaches of laws and regulations	0	0	0	0	0
Total product shipment (t)*		34,110	32,715	31,184	28,862	41,352

\* Scope: Japan

Recycling Rate/Generation of Incinerated and Landfill Waste in Japan



Volume of PRTR Class I Designated Chemical Substances Handled in Japan



## Consolidated Subsidiaries (As of March 31, 2022)

### Japan

- Tokyo Electron Technology Solutions Ltd.
- Tokyo Electron Kyushu Ltd.
- Tokyo Electron Miyagi Ltd.
- Tokyo Electron FE Ltd.
- Tokyo Electron BP Ltd.
- Tokyo Electron Agency Ltd.

### U.S.

- Tokyo Electron U.S. Holdings, Inc.
- Tokyo Electron America, Inc.
- TEL Technology Center, America, LLC
- TEL Venture Capital, Inc.
- TEL Manufacturing and Engineering of America, Inc.

### Europe

- Tokyo Electron Europe Ltd.
- Tokyo Electron Israel Ltd.
- TEL Magnetic Solutions Ltd.

### Asia

- Tokyo Electron Korea Ltd.
- Tokyo Electron Taiwan Ltd.
- Tokyo Electron (Shanghai) Ltd.
- Tokyo Electron (Kunshan) Ltd.
- Tokyo Electron Singapore Pte. Ltd.

26 consolidated subsidiaries in total, including the above 19 companies

## Stock Information (As of March 31, 2022)

### Corporate Name and Head Office

Tokyo Electron Limited  
Akasaka Biz Tower  
3-1 Akasaka 5-chome, Minato-ku,  
Tokyo 107-6325, Japan

### Established

November 11, 1963

### Annual General Meeting of Shareholders

June

### Common Stock

Stock trading unit	100 shares
Authorized	300,000,000 shares
Issued	157,210,911 shares
Number of shareholders	34,258

### Common Stock Listed on

Tokyo Stock Exchange Prime Market  
(Stock code: 8035)

### Website

www.tel.com

### Independent Auditor

KPMG AZSA LLC

### Administrator of Shareholders' Register

Sumitomo Mitsui Trust Bank, Limited  
4-1 Marunouchi 1-chome, Chiyoda-ku,  
Tokyo, Japan

Direct mail and inquiries to:

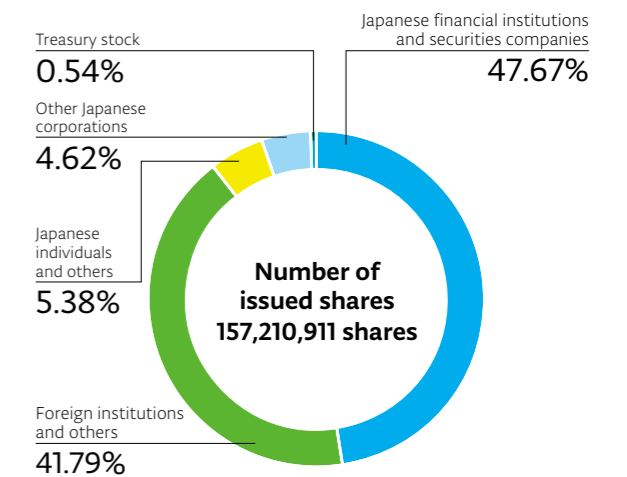
Sumitomo Mitsui Trust Bank, Limited  
8-4 Izumi 2-chome, Suginami-ku,  
Tokyo, 168-0063, Japan  
Tel (toll free): 0120-782-031 (available only  
in Japan)

### Major Shareholders

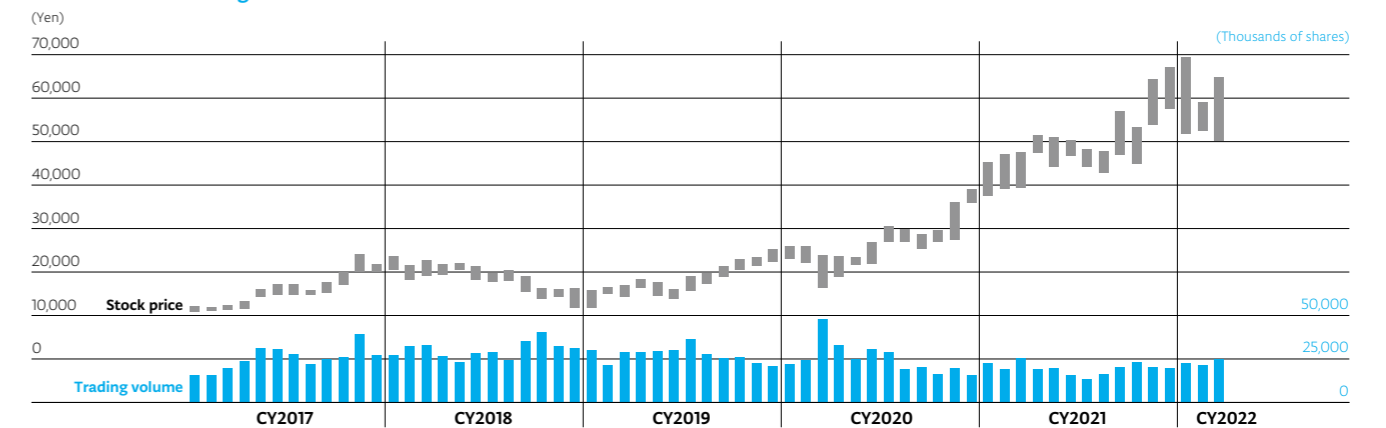
	Number of shares held (thousands)	Voting share ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	42,017	26.87
Custody Bank of Japan, Ltd. (trust account)	13,743	8.78
JP Morgan Chase Bank 385632	8,137	5.20
TBS HOLDINGS, INC.	5,801	3.71
Custody Bank of Japan, Ltd. (securities investment trust account)	2,983	1.90
STATE STREET BANK WEST CLIENT - TREATY 505234	2,580	1.65
Custody Bank of Japan, Ltd. (trust account 4)	2,347	1.50
SSBTC CLIENT OMNIBUS ACCOUNT	2,229	1.42
JP Morgan Chase Bank 385781	1,917	1.22
The Dai-ichi Life Insurance Company, Limited	1,440	0.92

Notes: 1. Shares of less than one thousand have been rounded down in the "Number of shares held."  
2. Voting share ratios are calculated excluding treasury stock (851,052 shares). Figures are truncated after the second decimal place. Treasury stock excludes the 610,529 Company shares owned by the executive compensation Board Incentive Plan (BIP) trust account and the share-delivering Employee Stock Ownership Plan (ESOP).

### Distribution of Ownership among Shareholders



### Stock Price and Trading Volume



	2018.3	2019.3	2020.3	2021.3	2022.3
High (yen)	23,875	21,935	25,875	47,320	69,170
Low (yen)	11,455	11,595	13,760	18,925	42,670
Total shareholder return (%) (TOPIX, dividends reinvested)	169.8 (115.9)	143.0 (110.0)	183.7 (99.6)	407.6 (141.5)	554.5 (144.3)