Financial Review

Trends in the Global Economy and Market

With respect to the global economy in fiscal 2025, 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 fiscal 2025, 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-driven 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.

Management Discussion and Analysis of State of Operating Results

Regarding our operating results for fiscal 2025, net sales increased 32.8% from the previous fiscal year to 2,431.5 billion yen, and operating income increased 52.8% from the previous fiscal year to 697.3 billion yen, marking an increase in both sales and income. In the semiconductor production equipment market, market growth was fueled by capital investments for high-bandwidth memory driven by expanding demand for AI servers, as well as capital investment in logic/foundry for leading-edge nodes anticipating demand for high-performance PCs and smartphones. These trends supported strong sales of our high-value-added products. Additionally, continued capital investment in mature nodes aimed at improving self-sufficiency in China also contributed to the increase in both sales and income.

Under these circumstances, our gross profit margin reached a record high of 47.1%, an increase of 1.7 points from the previous fiscal year. While making proactive R&D investments for future growth, the high gross profit margin enabled us to achieve an operating margin of 28.7%, an increase of 3.8 points from the previous fiscal year. Total R&D expenses increased by 47.1 billion yen (23.2%) from the previous fiscal year, reaching 250.0 billion yen.

Net income attributable to owners of parent increased 49.5% from the previous fiscal year to 544.1 billion yen, and its ratio against net sales was 22.4%, an increase of 2.5 points from the previous fiscal year. As a result, net income per share was 1,182.40 yen.

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.

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 2,625.9 billion yen at the end of fiscal 2025, an increase of 169.5 billion yen from the end of the previous fiscal year. This was mainly due to the increase in accounts receivable and tangible fixed assets. Cash and cash equivalents at the end of fiscal 2025 increased by 23.4 billion yen compared to the end of the previous fiscal year, to 485.0 billion yen.

Current assets at the end of fiscal 2025 were 1,800.7 billion yen, an increase of 100.3 billion yen compared to the end of the previous fiscal year. This was mainly due to an increase of 94.2 billion yen in notes and accounts receivable - trade, and contract assets by increasing net sales along with customer's investment recovery. Inventories decreased by 13.8 billion yen to 749.1 billion yen with efforts to maintain proper level of inventory volume.

Fixed assets increased by 69.2 billion yen from the end of the previous fiscal year, reaching 825.2 billion yen. Tangible fixed assets reached 441.7 billion yen, an increase of 104.3 billion yen from the end of the previous fiscal year. This was primarily due to the progress of construction projects at various business sites - such as development buildings in Koshi-shi, Kumamoto and Taiwa-cho, Miyagi - and the acquisition of machinery and equipment necessary for advanced technology R&D. Investments and other assets decreased by 38.5 billion yen from the end of the previous fiscal year to 347.6 billion yen, due in part to the lower market prices of investment securities.

Current liabilities increased by 66.0 billion yen from the end of the previous fiscal year to 677.9 billion yen. This was largely due to an increase of 29.4 billion yen in income taxes payable and an increase of 27.0 billion yen in consumption taxes payable.

Fixed liabilities increased by 8.4 billion yen from the end of the previous fiscal year to 92.8 billion yen.

Financial Review

Net assets increased by 95.0 billion yen from the end of the previous fiscal year to 1,855.2 billion yen. This was largely due to an increase resulting from recording 544.1 billion yen in net income attributable to owners of parent, a decrease resulting from the payment of 236.2 billion yen in year-end dividends for the previous fiscal year and interim dividends for fiscal 2025 and share repurchases of 150.0 billion yen, and lower net unrealized gains on available-for sale securities of 55.3 billion yen. As a result, the equity ratio was 70.1%.

Regarding cash flows, the balance of cash and cash equivalents including deposits and short-term investments with original maturities of more than three months was 496.2 billion, an increase of 23.6 billion yen from the end of the previous fiscal year.

Cash flows from operating activities were positive 582.1 billion yen, an increase of 147.4 billion yen compared to the end of the previous fiscal year. The major positive factors were 706.1 billion yen in income before income taxes and 62.1 billion yen in depreciation and amortization. The major negative factors were 142.8 billion yen in payment of income taxes, and a 97.5 billion yen increase in notes and accounts receivable - trade, and contract assets.

Cash flows from investing activities were negative 169.6 billion yen compared to negative 125.1 billion yen in the same period of the previous fiscal year. This was largely due to the payment of 158.3 billion yen for the purchase of property, plant and equipment.

Cash flows from financing activities were negative 388.8 billion yen compared to negative 325.0 billion yen in the same period of the previous fiscal year. This was largely due to the payment of 236.2 billion yen in dividends, and the payment of 150.0 billion yen for the share repurchases.

In fiscal 2025, while generating a high level of cash through operating activities, we continued R&D and capital investments to create innovative and high-value-added technologies that differentiate us from competitors with a view to future growth. At the same time, we returned 386.2 billion yen to our shareholders through conducting share repurchases twice in fiscal 2025 and payment of dividends 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.

In addition, return on equity (ROE), one of our management indicators, was 30.3% exceeding 30% which is the target of the Medium-term Management Plan with a decrease of the turnover period for total assets* from 475 days in the previous fiscal year to 381 days and achieving profitability improvements.

* Turnover period for total assets = Average total assets at the beginning and end of fiscal 2025 / Net sales for fiscal 2025 × 365

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 2024 (Fiscal year ended March 31, 2024)

Name of Customer	Sales (Millions of yen)	Ratio (%)
Samsung Electronics Co., Ltd.	237,441	13.0

Fiscal 2025 (Fiscal year ended March 31, 2025)

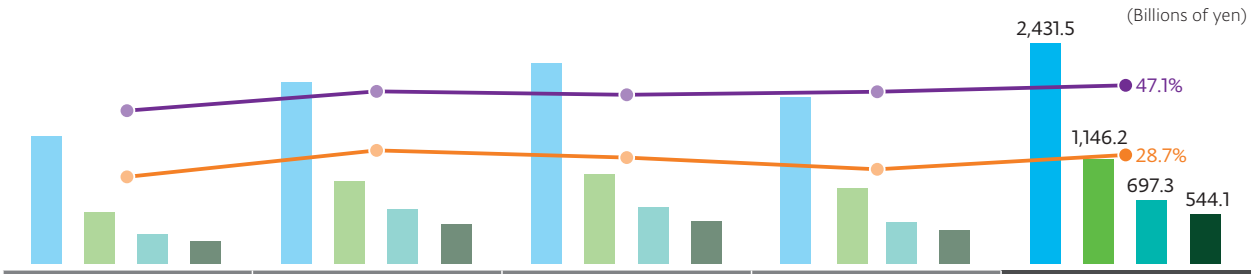
Name of Customer	Sales (Millions of yen)	Ratio (%)
Samsung Electronics Co., Ltd.	286,800	11.8
Taiwan Semiconductor Manufacturing Company Ltd.	280,618	11.5

* The amounts include sales to the customer and its subsidiaries.

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/

Financial Review

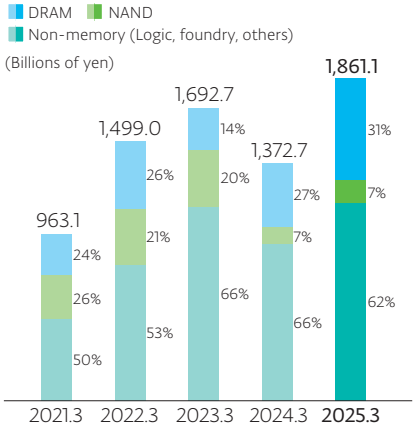
Financial Trend



	2021.3	2022.3*	2023.3	2024.3	2025.3
Net sales	1,399.1	2,003.8	2,209.0	1,830.5	2,431.5
Gross profit	564.9	911.8	984.4	830.2	1,146.2
Operating income	320.6	599.2	617.7	456.2	697.3
Net income attributable to owners of parent	242.9	437.0	471.5	363.9	544.1
Gross profit margin	40.4%	45.5%	44.6%	45.4%	47.1%
Operating margin	22.9%	29.9%	28.0%	24.9%	28.7%
ROE	26.5%	37.2%	32.3%	21.8%	30.3%

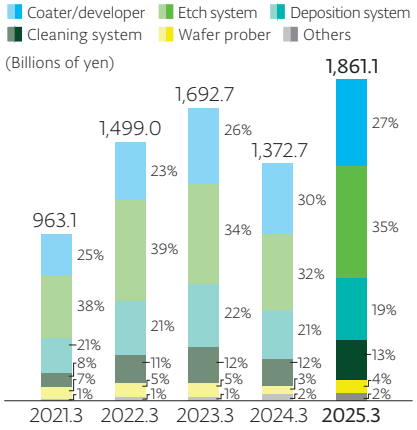
* From fiscal 2022, the Company applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020).

SPE[1] New Equipment Sales by Application[2]



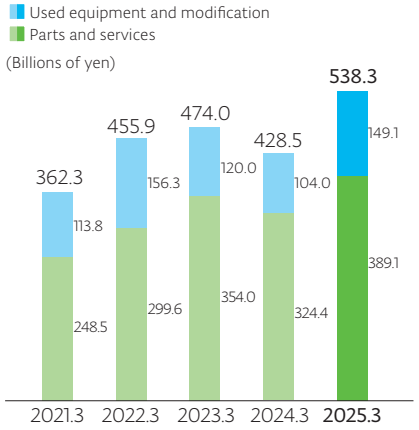
1 SPE: Semiconductor Production Equipment
2 Percentages on the graph show the composition ratio of new equipment sales. Field Solutions sales are not included.

SPE New Equipment Sales by Product*

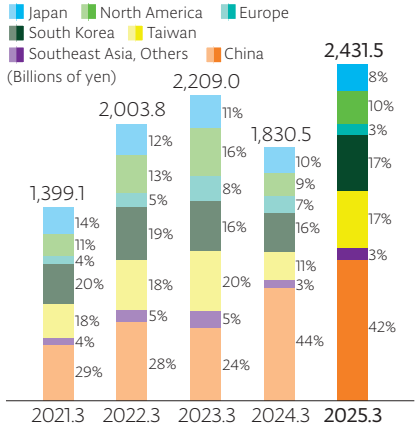


* Percentages on the graph show the composition ratio of new equipment sales. Field Solutions sales are not included.

Field Solutions Sales

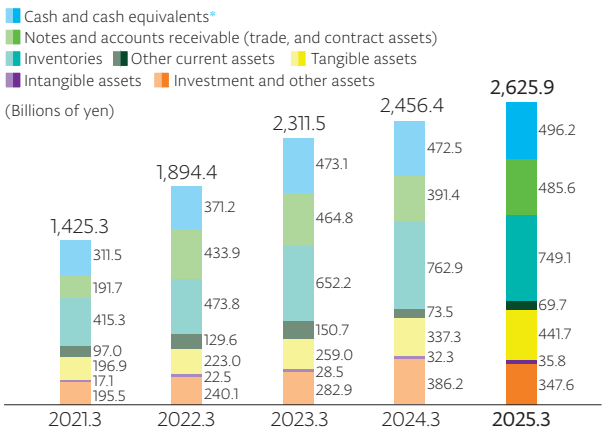


Composition of Net Sales by Region



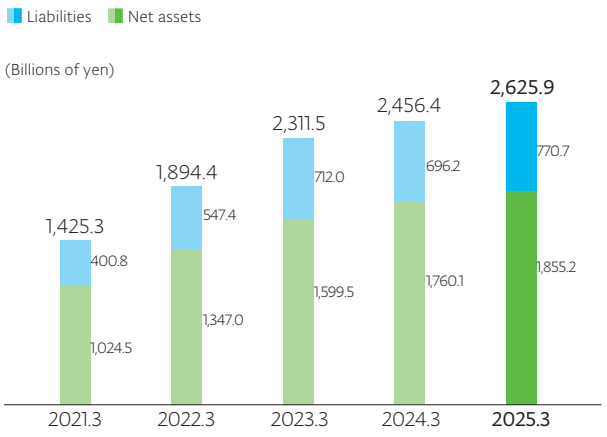
Financial Review

Balance Sheet Assets

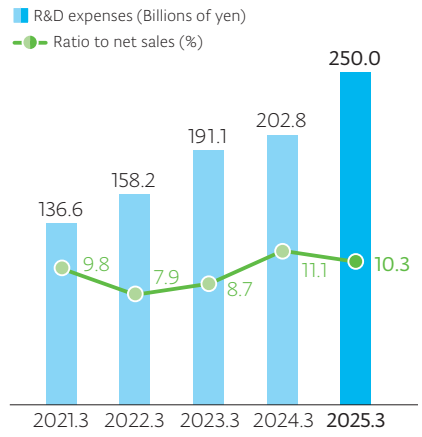


* Cash and cash equivalents: "Cash and deposits" + "Short-term investments", etc. ("Securities" in Balance Sheet)

Balance Sheet Liabilities/Net Assets

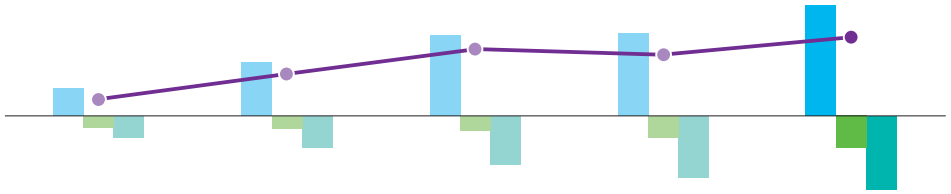


R&D Expenses and Ratio to Net Sales



Cash Flows

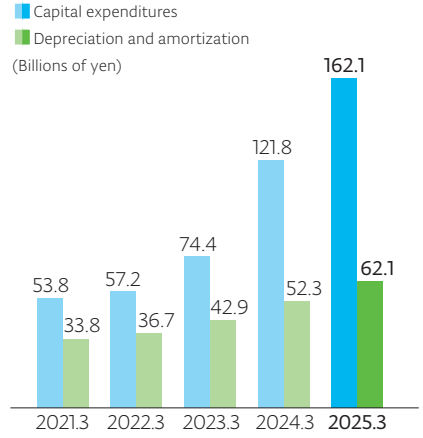
(Billions of yen)



	2021.3	2022.3	2023.3	2024.3	2025.3
Cash flows from operating activities	145.8	283.3	426.2	434.7	**582.1**
Cash flows from investing activities[1]	(63.2)	(65.6)	(76.7)	(115.0)	**(169.7)**
Cash flows from financing activities	(114.5)	(167.2)	(256.5)	(325.0)	**(388.8)**
Free cash flow[2]	82.6	217.7	349.4	319.6	**412.4**
Cash on hand[3]	311.5	371.2	473.1	472.5	**496.2**

1 Cash flow from investing activities excludes changes in time deposits and short-term investments.
2 Free cash flow = "Cash flow from operating activities" + "Cash flow from investing activities" (excluding changes in "Time deposits" and "Short-term investments")
3 Cash on hand includes "Cash and cash equivalents" + "Time deposits and short-term investments" with original maturities of more than three months.

Capital Expenditures and Depreciation and Amortization



Consolidated Eleven-year Summary

Tokyo Electron Limited and Subsidiaries
From fiscal 2015 to fiscal 2025

The amounts in this summary in millions and thousands of yen; 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.

(Millions of yen)

	2025.3	2024.3	2023.3	2022.3[5]	2021.3	2020.3	2019.3[4]	2018.3	2017.3	2016.3	2015.3
Net sales[1]	¥2,431,568	¥1,830,527	¥2,209,025	¥2,003,805	¥1,399,102	¥1,127,286	¥1,278,240	¥1,130,728	¥799,719	¥663,949	¥613,125
Semiconductor production equipment	—	—	2,155,206	1,943,843	1,315,200	1,060,997	1,166,781	1,055,234	749,893	613,033	576,242
FPD production equipment	—	—	53,674	59,830	83,772	66,092	111,261	75,068	49,387	44,687	32,710
PV production equipment	—	—	—	—	—	—	—	—	—	—	3,618
Electronic components and computer networks	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	144	131	129	197	197	425	438	6,229	555
Operating income	697,319	456,263	617,723	599,271	320,685	237,292	310,571	281,172	155,697	116,789	88,113
Income (loss) before income taxes	706,114	473,439	624,856	596,698	317,038	244,626	321,508	275,242	149,116	106,467	86,828
Net income (loss) attributable to owners of parent	544,133	363,963	471,584	437,076	242,941	185,206	248,228	204,371	115,208	77,892	71,888
Comprehensive income (loss)	476,095	478,281	501,421	486,183	305,801	187,084	242,696	206,152	119,998	60,984	80,295
Domestic sales	189,979	184,982	239,937	230,368	197,566	161,812	208,796	148,760	101,122	121,808	95,046
Overseas sales	2,241,588	1,645,544	1,969,088	1,773,437	1,201,535	965,474	1,069,443	981,967	698,597	542,141	518,079
Depreciation and amortization[2]	62,148	52,339	42,927	36,727	33,843	29,107	24,323	20,619	17,872	19,257	20,878
Capital expenditures[3]	162,171	121,841	74,432	57,288	53,868	54,666	49,754	45,603	20,697	13,341	13,184
R&D expenses	250,017	202,873	191,196	158,256	136,648	120,268	113,980	97,103	83,800	76,287	71,350
Total assets	2,625,981	2,456,462	2,311,594	1,894,457	1,425,364	1,278,495	1,257,627	1,202,796	957,447	793,368	876,154
Total net assets	1,855,209	1,760,180	1,599,524	1,347,048	1,024,562	829,692	888,117	771,509	645,999	564,239	641,163
Number of employees	19,573	17,702	17,204	15,634	14,479	13,837	12,742	11,946	11,241	10,629	10,844

Consolidated Eleven-year Summary

	2025.3	2024.3	2023.3	2022.3[5]	2021.3	2020.3	2019.3[4]	2018.3	2017.3	2016.3	2015.3
											(Yen)
Net income (loss) per share of common stock											
Basic[6]	¥1,182.40	¥783.75	¥1,007.82	¥935.95	¥520.73	¥390.19	¥504.53	¥415.16	¥234.09	¥153.70	¥133.69
Diluted[6]	1,179.08	781.20	1,003.86	931.30	517.76	388.01	502.41	413.74	233.45	153.33	133.38
Net assets per share of common stock[6]	4,016.34	3,773.11	3,389.68	2,857.48	2,170.73	1,755.99	1,790.59	1,558.16	1,306.50	1,142.79	1,189.08
Cash dividends per share of common stock[6]	592.00	393.00	1,711.00	1,403.00	781.00	588.00	758.00	624.00	352.00	237.00	143.00
Number of shares outstanding (thousands)[6]	471,632	471,632	157,210	157,210	157,210	157,210	165,210	165,210	165,210	165,211	180,611
Number of shareholders	83,023	48,167	51,723	34,258	29,547	30,348	50,843	35,186	21,937	24,664	20,829
											(%)
ROE	30.3	21.8	32.3	37.2	26.5	21.8	30.1	29.0	19.1	13.0	11.8
Operating margin	28.7	24.9	28.0	29.9	22.9	21.0	24.3	24.9	19.5	17.6	14.4
Equity ratio	70.1	71.1	68.7	70.5	71.1	64.1	70.0	63.8	67.2	70.9	73.0
Total asset turnover (times)	0.96	0.77	1.05	1.21	1.03	0.89	1.04	1.05	0.91	0.80	0.72
											(Thousands of yen)
Net sales per employee	¥124,230	¥103,407	¥128,401	¥128,169	¥96,629	¥81,468	¥100,317	¥94,653	¥71,143	¥62,466	¥56,540

1 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 it has been included in Other from fiscal 2016.

2 Depreciation and amortization does not include amortization and loss on impairment of goodwill.

3 Capital expenditures only represent the gross increase in property, plant and equipment.

4 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.

5 From fiscal 2022, the Company applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020). Each number from the period ended March 31, 2022 includes the effects of the new standards.

6 The Company implemented a 3-for-1 common stock split on April 1, 2023. Net income (loss) per share of common stock - basic, net income per share of common stock - diluted and net assets per share of common stock are calculated on the assumption that stock split was implemented at the beginning of fiscal 2015. In addition, from fiscal 2015 to fiscal 2023, dividends per share of common stock and number of shares outstanding present the actual amount of dividends and number of shares prior to the stock split.

Sustainability Data | Environment

The scope of calculation for environmental data is the Tokyo Electron Group (26 consolidated companies), and the calculating period is fiscal year 2025 (April 1, 2024 to March 31, 2025).
Japan: Tokyo Electron Ltd., Tokyo Electron Technology Solutions Ltd., Tokyo Electron Kyushu Ltd., Tokyo Electron Miyagi Ltd., Tokyo Electron FE Ltd. and Tokyo Electron BP Ltd.
Overseas: 20 consolidated subsidiaries (including Tokyo Electron America, Inc., Tokyo Electron Europe Ltd., Tokyo Electron Korea Ltd., Tokyo Electron Taiwan Ltd., Tokyo Electron (Shanghai) Ltd. and Tokyo Electron Singapore Pte. Ltd.)

* ● denotes data in the "Sustainability Data 2025" with third-party assurance. * Totals may not match due to rounding.

Greenhouse Gas Emissions[1]

		2021.3	2022.3	2023.3	2024.3	2025.3	
Scope 1 emissions	Scope 1 emissions (kt-CO_2)	29	16	22	21	22	
	Japan, energy-derived[2]	10	10	10	10	11	●
	Overseas, energy-derived[2]	2	2	2	2	2	
	Non-energy-derived greenhouse gas emissions total[3] (kt-CO_2e)	17	4	10	9	9	
	Non-energy-derived greenhouse gas emissions (kt-CO_2e) (Japan)	17	4	10	9	9	
	Japan – HFCs	0.1	0.7	3.4	2.3	1.9	
	Japan – PFCs	13.2	1.3	5.6	4.8	4.4	
	Japan – SF_6	3.1	1.4	1.2	1.1	1.6	
	Japan – Other	0.6	0.4	0.2	0.4	0.8	
	Non-energy-derived greenhouse gas emissions (kt-CO_2e) (Overseas)	—	0.1	0.0	0.0	0.1	
	Overseas – HFCs	—	0.0	0.0	0.0	0.0	
	Overseas – PFCs	—	0.0	0.0	0.0	0.0	
	Overseas – SF_6	—	0.0	0.0	0.0	0.0	
	Overseas – Other	—	0.1	0.0	0.0	0.0	
Scope 2[4] emissions	Scope 2 emissions (Market based) (kt-CO_2)	157	74	20	22	25	
	Japan	128	55	0	0	0[5]	●
	Overseas	29	19	20	22	25	
	Scope 2 emissions (Location based) (kt-CO_2)	169	168	180	192	200	
	Japan	138	136	144	155	158	
	Overseas	31	33	36	37	42	
Scope 3[6] emissions	Scope 3 emissions (kt-CO_2)	9,386	13,251	14,335	11,829	12,694	
	Category 1 Purchased goods and services	2,395	3,332	4,053	3,239	4,494	
	Category 2 Capital goods	162	172	224	366	490	
	Category 3 Fuel- and energy-related activities	25	27	29	31	34	
	Category 4 Upstream transportation and distribution	9	15	19	12	16	
	Category 5 Waste generated in operations	2	2	3	3	3	
	Category 6 Business travel	1	7	14	27	67	
	Category 7 Employee commuting	11	21	14	15	29	
	Category 9 Downstream transportation and distribution	80	121	120	65	135	
	Category 11 Use of sold products	6,696	9,548	9,854	8,068	7,421	
	Category 12 End-of-life treatment of sold products	3	5	5	4	6	
Scope 1, 2 (Market based) emissions total	Scope 1, 2 (Market standard) emissions (kt-CO_2)	186	90	42	43	47	
Scope 1, 2 (Market based), 3 emissions total	Scope 1, 2 (Market standard) emissions , 3 emissions (kt-CO_2)	9,572	13,341[7]	14,377	11,872	12,741	

1 GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.
2 Scope 1: Direct GHG emissions from use of fuel and gas we owned or controlled. Calculation method: Emissions = Σ (fuel consumed × CO_2 emission factor). Emission factor based on Japan's Act on Promotion of Global Warming Countermeasures.
3 Scope 1: Non-energy-derived CO_2 and greenhouse gases other than CO_2. 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 has been reviewed to match actual conditions.
4 Scope 2: Indirect GHG emissions from use of electricity we purchased. Calculation method: Emissions = Σ (purchased electricity × CO_2 emission factor). Base 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 2023 edition published by the International Energy Agency (IEA) were used as the emission factor for overseas electricity consumption.
5 Figure after Non-fossil Certificate Equivalent Amount Deduction. Scope 2 emissions prior to Non-fossil Certificate Equivalent Amount Deduction is 10 kt-CO_2; Non-fossil Certificate Equivalent Amount is 10 kt-CO_2.
6 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. Revised past figures. 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.
7 Revised figures.

Water-Related Data

		2021.3	2022.3	2023.3	2024.3	2025.3	
Water	Water intake (thousand m³)	1,397	1,417	1,495	1,542	1,587	
	Japan	1,183	1,204	1,255	1,293	1,288	●
	Groundwater	430	440	402	373	394	
	Tap water	450	479	520	569	579	
	Industrial water	303	285	333	350	315	
	Overseas	214	213	240	249	298	
	Water consumption (thousand m³)	202	223	223	221	398	
	Japan	177	195	193	196	362	
	Overseas	25	28	30	24	36	
	Water discharge (thousand m³)	1,195	1,194	1,272	1,321	1,188	
	Japan	1,006	1,009	1,062	1,096	926	
	Overseas	189	185	210	225	262	

Energy Consumption/Generation

		2021.3	2022.3	2023.3	2024.3	2025.3	
Energy	Consumption metric (MWh[1]) (sales) (MWh/billion yen)	2.99	2.19	2.10	2.71	2.21	
	Consumption (MWh[1])	417,779	439,465	464,234	496,107	537,978	
	Japan	344,582	362,852	379,750	402,788	428,436	●
	Overseas	73,196	76,613	84,484	93,319	109,542	
Electricity	Consumption (MWh)	357,744	380,127	404,964	435,514	471,956	
	Japan	297,435	316,017	333,572	353,428	376,974	●
	Overseas	60,309	64,110	71,392	82,086	94,982	
Gas (city gas, LPG)	Consumption (MWh[1])	41,129	40,870	41,968	40,787	42,801	
	Japan	29,371	29,479	29,888	30,682	33,053	●
	Overseas	11,757	11,391	12,080	10,105	9,748	
Fuel (heavy oil A, diesel oil, kerosene, gasoline)	Consumption (MWh[1])	17,948	17,496	16,430	18,808	18,538	
	Japan	17,776	17,356	16,290	18,678	18,409	●
	Overseas	172	140	140	130	129	
Purchase of steam[2]	Consumption (MWh)	958	972	872	998	4,683	
	Japan	0	0	0	0	0	
	Overseas	958	972	872	998	4,683	
Renewable energy (electricity)	Purchase (MWh)	4,980	227,523	365,876	393,383	419,512	
	Japan	0	197,137	330,791	353,428	376,974	
	Overseas	4,980	30,386	35,085	39,955	42,538	
Solar power generation system	Power generation (MWh)	4,068	3,890	4,110	3,901	3,820	
	Japan	4,068	3,890	4,110	3,901	3,802	
	Overseas	0	0	0	0	18	
Amount of self-consumption through onsite solar power generation system	Amount of self-consumption (MWh)	2,783	2,695	2,780	2,837	2,677	
	Japan	2,783	2,695	2,780	2,837	2,659	
	Overseas	0	0	0	0	18	
Power sales	Power sales (MWh)[3]	1,285	1,195	1,330	1,063	1,143	
	Japan	1,285	1,195	1,330	1,063	1,143	
	Overseas	0	0	0	0	0	

1 Changed to MWh notation
2 Added steam purchases overseas
3 Heat and steam not sold

Renewable energy (electricity) use rate	Electricity use rate (%)	2	60	91	90	89
	Japan	1	63	100	100	100
	Overseas	8	47	49	49	45

Environmental Impact of Logistics

		2021.3	2022.3	2023.3	2024.3	2025.3
CO_2	Emissions (kt-CO_2)	89	136	139	76	151
	Japan	9	15	19	12	16
	Overseas	80	121	120	64	135
Proportion of marine transportation (international) (%)		34.3	33.2	39.0	42.1	50.1
Use of reinforced cardboard	Reduction in amount of wooden packaging materials used (t) Japan	—	—	2,000	1,915	3,581

Amount of Waste Generated

		2021.3	2022.3	2023.3	2024.3	2025.3
Waste	Amount generated (t)	14,997	14,459	18,249	19,714	26,618
	Japan	13,705	12,921	17,047	18,527	25,310
	Overseas	1,292	1,538	1,202	1,187	1,308
Recycling	Recycled amount (t)	14,814	14,189	17,978	19,480	26,396
	Japan	13,587	12,789	16,912	18,376	25,157
	Overseas	1,227	1,400	1,066	1,103	1,239
Incinerated and landfill waste	Amount of waste (t)	183	270	271	234	222
	Japan	118	132	135	151	153
	Overseas	65	138	136	84	69
Dangerous/Hazardous waste	Amount generated (t)	7,227	5,231	5,634	7,743	10,664
	Japan (Specially controlled industrial waste)	6,718	4,705	5,239	7,448	10,371
	Overseas (Dangerous/Hazardous waste per country)	509	526	395	296	293
Dangerous/Hazardous waste recycling	Recycled amount (t)	7,226	5,193	5,596	7,703	10,644
	Japan	6,718	4,705	5,239	7,448	10,370
	Overseas	508	488	357	256	273
Dangerous/Hazardous waste Incinerated/landfill waste*	Amount of waste (t)	1	38	38	40	21
	Japan	0	0	0	0	0
	Overseas	1	38	38	40	20

* In fiscal 2025, 2 tons were incinerated, and 19 tons were disposed of in landfills after being detoxified.

Chemical Substances Consumption/Emissions (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
PRTR Class I designated chemical substances[1]	Volume handled (t)	144	119	104	61	62
	Ferric chloride	106	85	76	—	—
	Hydrogen fluoride and its water-soluble salts	24	22	16	47	49
	Methylnaphthalene	13	11	10	11	10
	Tetramethylammonium hydroxide	—	—	—	2	1
	VOCs[2]	0.1	0.1	0.1	0.2	0.2
	Other	1	1	1	1	1
	Amount transported (waste amount) (t)	131	108	94	48	50
	Amount transported (sewerage) (t)	0	0	0	2	2
	Consumption (t)	13	11	10	11	10
NOx	Emissions (t)	13.0	13.1	12.7	12.9	14.8
SOx	Emissions (t)	4.9	4.8	4.5	4.6	4.5

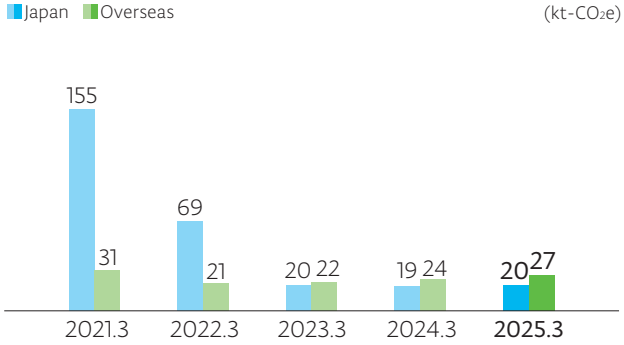
1 Some substances have been added and others eliminated from the scope in accordance with the revision to target substances for fiscal 2024.
2 VOCs: Volatile Organic Compounds

Other

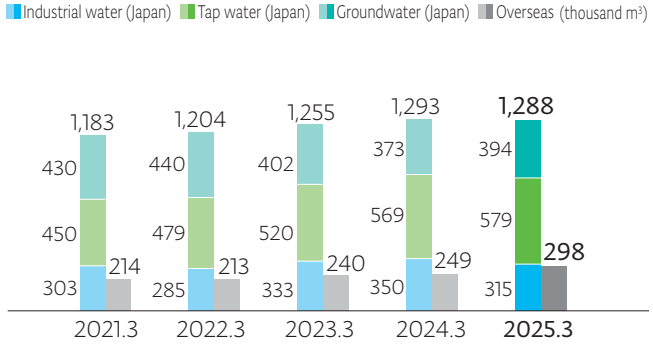
		2021.3	2022.3	2023.3	2024.3	2025.3
ISO 14001	Number of certified plants and offices	11	11	11	11	11
	Japan	5	5	5	5	5
	Overseas	6	6	6	6	6
Environmental investments	Environmental investment effects (millions of yen)	32	30	31	16	9
	Environmental investment effects (t-CO_2)	455	973	799	334	170
Biodiversity	Number of ecosystem tours*	18	16	22	20	19
	Number of ecosystem tour participants*	52	87	138	289	378
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)*		28,862	41,352	48,922	35,769	46,946
Copier paper*	Use (t)	38	32	138	88	59

* Scope: Japan

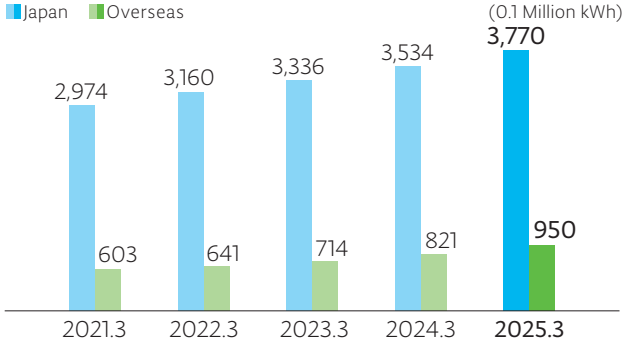
Scope 1 Emissions and Scope 2 Emissions (Market based)



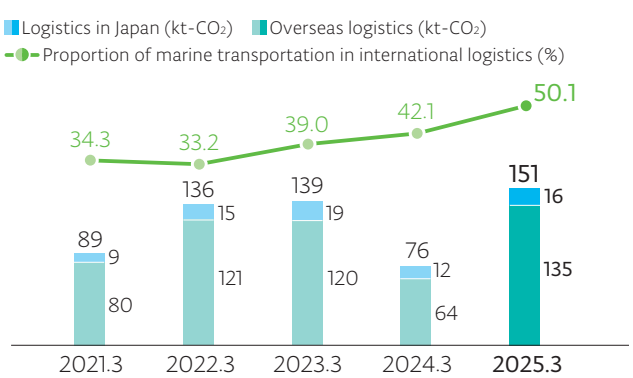
Water Consumption



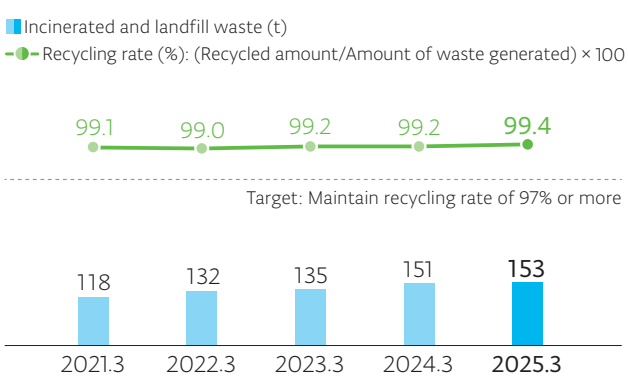
Electricity Consumption



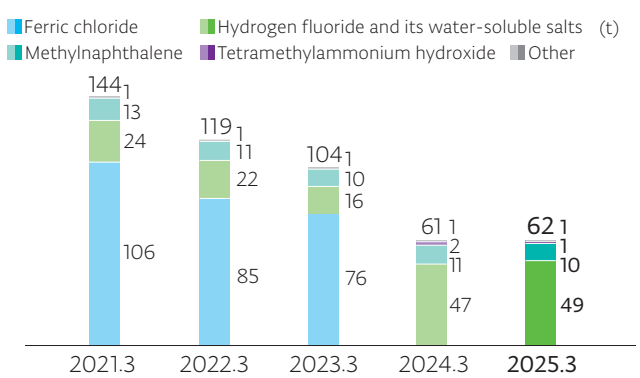
CO_2 Emissions from Logistics and the Proportion of Marine Transportation



Recycling Rate/Generation of Incinerated and Landfill Waste in Japan



Volume of PRTR Class I Designated Chemical Substances Handled in Japan



Sustainability Data | Social

The scope of calculation for social data is the Tokyo Electron Group (26 consolidated companies), and the calculating period is fiscal year 2025 (April 1, 2024 to March 31, 2025).
Japan: Tokyo Electron Ltd., Tokyo Electron Technology Solutions Ltd., Tokyo Electron Kyushu Ltd., Tokyo Electron Miyagi Ltd., Tokyo Electron FE Ltd. and Tokyo Electron BP Ltd.
Overseas: 20 consolidated subsidiaries (including Tokyo Electron America, Inc., Tokyo Electron Europe Ltd., Tokyo Electron Korea Ltd., Tokyo Electron Taiwan Ltd., Tokyo Electron (Shanghai) Ltd. and Tokyo Electron Singapore Pte. Ltd.)

* ● denotes data in the "Sustainability Data 2025" with third-party assurance. * Totals may not match due to rounding.

Number of Employees (Entire Group)

		2021.3	2022.3	2023.3	2024.3	2025.3
Regular employees (Region)	Number of regular employees	14,022	15,140	16,605	17,071	18,893
	Japan	7,921	8,234	8,796	9,150	9,847
	Rest of Asia	3,796	4,328	4,819	4,854	5,640
	Europe and Middle East	509	578	669	708	739
	North America	1,796	2,000	2,321	2,359	2,667

Composition of Employees (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
Employees (Employment type)	Number of employees	8,296	8,661	9,325	9,746	10,488
	Regular employees	7,921	8,234	8,796	9,150	9,847
	Men	6,722	6,944	7,429	7,716	8,279
	Women	1,199	1,290	1,367	1,434	1,568
	Non-regular employees	375	427	529	596	641
	Men	348	403	490	553	591
	Women	27	24	39	43	50

Recruitment/Employment (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
New graduates hired	Number hired	253	209	231	353	404
	Under 30 yrs. old	252	208	231	351	403
	Men	207	177	193	304	320
	Women	45	31	38	47	83
	30–49 yrs. old	1	1	0	2	1
	Men	1	0	0	2	1
	Women	0	1	0	0	0
	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	17.8	15.3	16.5	13.3	20.5

Career-track recruits	Number hired	191	400	580	271	627
	Under 30 yrs. old	56	131	209	89	193
	Men	49	96	185	72	159
	Women	7	35	24	17	34
	30–49 yrs. old	123	250	355	172	409
	Men	92	202	306	141	339
	Women	31	48	49	31	70
	50 yrs. old and over	12	19	16	10	25
	Men	11	17	13	8	23
	Women	1	2	3	2	2
	Percentage of women	20.4	21.3	13.1	18.5	16.9
Employees with disabilities	Percentage hired (TEL)	2.43	2.32	2.03	2.18	2.44
	Percentage hired (Group in Japan)	2.30	2.37	2.27	2.34	2.46
Reemployment system	Number of users	313	389	475	545	586
	Men	305	376	451	510	545
	Women	8	13	24	35	41
Percentage of regular employees who received regular performance and career evaluations		100.0	100.0	100.0	100.0	100.0

Female Managers (Entire Group)

		2021.3	2022.3	2023.3	2024.3	2025.3
Female managers[1, 2]	Number of people	—	163	182	221	253
	Percentage	—	5.5	5.7	6.3	6.4
	Number of people (senior directors and above [3])	—	10	16	20	21
	Percentage (senior directors and above [3])	—	2.2	3.3	3.7	3.5

1 Percentage of female managers, calculation method: (Number of female managers/Number of managers) × 100 (The number of managers includes experts (from fiscal 2022) and employees reemployed after retirement (from fiscal 2024).)
2 As of March 31
3 Employees of a certain level or position based on the global human resources system

Female Managers (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
Female managers[1, 2]	Number of people	26	46	51	67	77
	Percentage	2.2	2.6	2.7	3.1	3.3

1 Percentage of female managers, calculation method: (Number of female managers/Number of managers) × 100 (The number of managers includes experts (from fiscal 2022) and employees reemployed after retirement (from fiscal 2024).)
2 As of March 31

Employee Retention (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
Employee retention	Retention rate after three years of joining TEL*	94.1	94.7	92.7	93.1	94.6
	Men	94.8	95.0	93.2	93.6	95.0
	Women	89.3	93.5	90.6	90.9	92.1
	Average service years	17 yrs. 4 mos.	17 yrs. 2 mos.	16 yrs. 8 mos.	16 yrs. 6 mos.	15 yrs. 10 mos.
	Men	17 yrs. 7 mos.	17 yrs. 6 mos.	16 yrs. 10 mos.	16 yrs. 8 mos.	16 yrs. 0 mos.
	Women	15 yrs. 10 mos.	15 yrs. 8 mos.	15 yrs. 7 mos.	15 yrs. 7 mos.	14 yrs. 11 mos.

* Average in recent five years

Employee Turnover (Entire Group)

		2021.3	2022.3	2023.3	2024.3	2025.3
Turnover[1]	Employee turnover	—	589	599	415	431[2]
	Men	—	507	509	351	347
	Women	—	82	90	64	83
	Turnover rate	—	4.2	3.9	2.5	2.4

1 Turnover due to personal circumstances
2 Including those who did not declare their gender

Employee Turnover (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
Turnover*	Employee turnover	87	87	98	113	95
	Men	75	69	81	93	76
	Women	12	18	17	20	19
	Turnover rate	1.0	1.0	1.1	1.2	0.9

* Turnover due to personal circumstances

Work-life Balance (Japan)

		2021.3	2022.3	2023.3	2024.3	2025.3
Annual paid leave	Take-up rate[1]	62.5	64.6	70.0	80.6	78.9
Refreshment leave	Number of those who took leave	688	512	1,731	630	819
	Men	610	435	1,485	547	697
	Women	78	77	246	83	122
Paternity leave	Number of those who took leave	148	137	149	169	161
Childcare leave	Number of those who took leave	41	70	96	153	213
	Men	16	36	57	122	167
	Women (percentage who took leave)	25 (92.6)	34 (97.1)	39 (97.5)	31 (100)	46 (97.9)
	Number of those who returned to work after leave	54	60	76	155	173
	Men	15	32	43	120	150
	Women	39	28	33	35	23
	Percentage reinstated	96.4	95.2	98.7	100.0	99.4
	Retention rate	95.0	90.0	97.9	91.2	96.7
Shorter working hour system	Number of those who used	132	110	105	103	90
	Men	9	7	10	10	14
	Women	123	103	95	93	76
Leave to care for sick / injured child	Number of those who took leave	510	547	599	661	695
	Men	353	373	424	513	555
	Women	157	174	175	148	140
Childcare support leave	Number of those who took leave	86	80	98	113	121
	Men	29	23	33	45	77
	Women	57	57	65	68	44
Extended nursing care leave	Number of those who took leave	2	1	4	6	3
	Men	0	0	4	5	2
	Women	2	1	0	1	1
Short nursing care leave	Number of those who took leave	110	87	85	100	134
	Men	69	57	53	54	81
	Women	41	30	32	46	53
Shorter working hour system for nursing care	Number of those who used	0	4	0	1	2
	Men	0	2	0	1	2
	Women	0	2	0	0	0
Spousal transfer leave system	Number of those who used	—	—	—	3	7

1 Take-up rate of annual paid leave calculation method: (Days of paid leave taken by employees[2]) / (Days of paid leave provided to employees[2]) × 100

2 Incl. non-regular employees

Products/Innovation

		2021.3	2022.3	2023.3	2024.3	2025.3
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
Active issued patents (Region/Country)[1]	Number of active issued patents	18,692	19,572	21,645	23,249	24,996
	Japan	5,484	5,703	6,307	6,715	7,069
	U.S.	4,822	4,988	5,360	5,603	5,803
	Europe	206	167	—[2]	—[2]	—[2]
	Korea	3,363	3,731	4,683	5,111	5,717
	Taiwan	2,925	3,014	3,120	3,326	3,541
	China	1,892	1,969	2,175	2,494	2,866

1 Figures for fiscal 2021 to fiscal 2022 are based on our database; figures for fiscal 2023 onwards are based on LexisNexis® PatentSight+ database.
2 Europe is not included in the scope.

	2019.12	2020.12	2021.12	2022.12	2023.12
Global patent application rate[1]	74.3	74.6	80.1[2]	79.9[2]	77.3[2]

		2020.12	2021.12	2022.12	2023.12	2024.12
Patent application success rate*	Japan	84.9	79.8	74.5	81.8	77.9
	U.S.	87.3	83.9	81.5	80.7	86.1

1 Percentage applied for in countries other than Japan of the number of inventions leading to patents in each calendar year.
2 Added international applications filed under the Patent Cooperation Treaty (PCT) to applications filed in other countries.

* Percentage approved of those for which screening was completed each calendar year.

Customer

	2021.3	2022.3	2023.3	2024.3	2025.3
Percentage of respondents who selected "Very Satisfied" or "Satisfied" in the customer satisfaction survey	96.7	100.0	100.0	100.0	100.0

Safety

	2021.3	2022.3	2023.3	2024.3	2025.3
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 per 1,000,000 work hours (LTIR)	0.63	0.66	0.83	0.31	0.32
Number of workplace injuries per 200,000 work hours (TCIR*)	0.27	0.30	0.33	0.15	0.23

* TCIR: Total Case Incident Rate

Procurement

	2021.3	2022.3	2023.3	2024.3	2025.3
Percentage of new important suppliers screened using social criteria	100	100	100	100	100
Rate of improvement after supply chain sustainability assessment	23.1	31.5	30.5	29.2	—[1]
Rate of improvement after supply chain BCP assessment	20.3	24.4	22.2	20.4	19.3
Number of identified RMAP conformant smelters (rate of identification)	236 (100)	243 (100)	234 (100)	238 (100)	298 (99)[2]

1 Comparison not possible due to revision of questionnaire
2 Cobalt added to the 3TG (tantalum, tin, tungsten and gold) target minerals from the fiscal 2025 survey.

Governance

	2021.3	2022.3	2023.3	2024.3	2025.3
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[1]	15	20	28	0	26
Total number (percentage) of corporate directors who provided instructions on the body's policies and procedures in relation to anti-corruption[1]	11 (100)	12 (100)	6 (100)	6 (100)	7 (100)
Total number (percentage) of corporate directors who received training on anti-corruption[1]	0 (0)	0 (0)	3 (50)	0 (0)	3 (42.8)
Payment to industry groups, etc. (thousand yen)[2]	32,036	56,374	73,313	82,263	86,099
Payment to politically affiliated organizations (yen)	0	0	0	0	0
Average tenure of corporate directors	6.09	6.58	5.16	6.16	5.57
Average rate of attendance for Board of Directors	98.96	99.50	98.62	99.09	99.15

1 Scope: Japan
2 Industry groups were reviewed from fiscal 2022.

Compliance

	2021.3	2022.3	2023.3	2024.3	2025.3
Education on TEL's Code of Ethics/pledge rate[1]	98.8	91.6	96.1	94.9[2]	96.7
Percentage of employees who have consented to the information security agreement	99.4	99.9	100.0	99.3	100.0
Significant fines and non-monetary sanctions for non-compliance with laws and regulations in the social and economic area	0	0	0	0	0
Number of cases that lead to disciplinary action due to compliance infractions[1,3]	—	—	—	59	43
Bribery/Corruption	—	—	—	0	0
Competition Act/Anti-Monopoly Act	—	—	—	0	0
Money laundering/Insider trading	—	—	—	0	0
Information security/Intellectual property	—	—	—	3	1
Personal information	—	—	—	—	0
Conflicts of interest	—	—	—	0	0
Harassment	—	—	—	22	12
Other (Violations of service obligations)	—	—	—	34	30

1 Scope: Entire Group
2 Period is from March to May 2024.
3 Includes violations of the Tokyo Electron Group Code of Ethics, company regulations, etc.

Social Contribution

		2021.3	2022.3	2023.3	2024.3	2025.3
Spending on social contribution (million yen)[1]		244	170	301	533	601
Cash donations breakdown	Charity donations (providing donations/relief supplies to charity organizations)	13	15	9	7	9
	Community investment (charitable expenses for long-term cause for community)	62	75	40	33[2]	35
	Commercial initiatives (charitable expenses with anticipated effects on business growth)	25	10	51	61[2]	56

1 Spending on social contribution activities excluding disaster relief contributions
2 Review of cash donations breakdown implemented in the fiscal 2025

Stock Information (As of March 31, 2025)

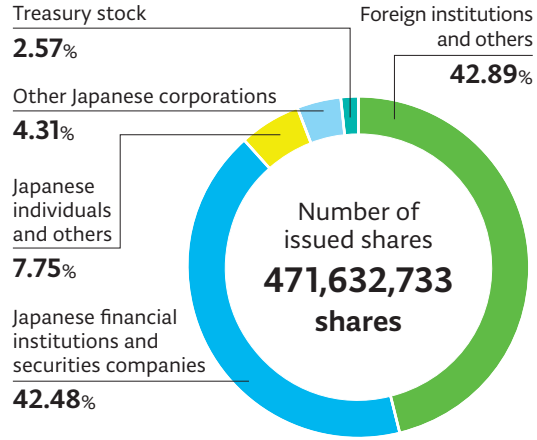
Corporate Name and Head Office	Tokyo Electron Limited Akasaka Biz Tower 3-1 Akasaka 5-chome, Minato-ku, Tokyo 107-6325, Japan
Established	November 11, 1963
Annual General Shareholders' Meeting	June
Common Stock	Stock trading unit 100 shares Authorized 900,000,000 shares Issued 471,632,733 shares Number of shareholders 83,023
Common Stock Listed on	Tokyo Stock Exchange Prime Market (Stock code: 8035)
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)
Website	www.tel.com

Major Shareholders

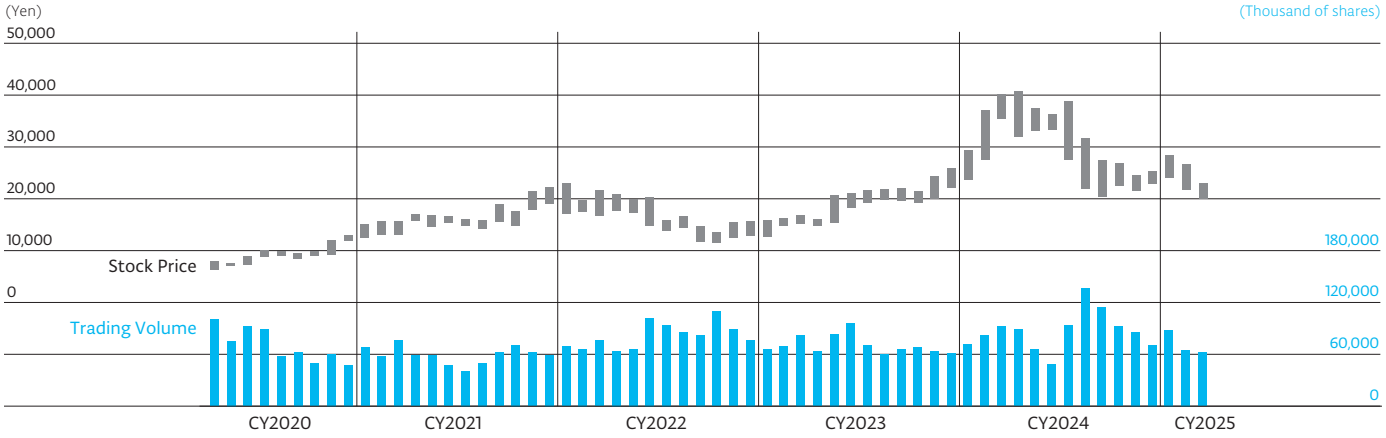
Shareholders	Number of shares held (thousand)	Voting share ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	115,962	25.23
Custody Bank of Japan, Ltd. (trust account)	47,496	10.33
TBS HOLDINGS, INC.	15,112	3.28
JP MORGAN CHASE BANK 385632	12,987	2.82
STATE STREET BANK WEST CLIENT - TREATY 505234	9,397	2.04
STATE STREET BANK AND TRUST COMPANY 505001	9,257	2.01
GOVERNMENT OF NORWAY	6,640	1.44
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	6,466	1.40
JP MORGAN CHASE BANK 385781	6,377	1.38
JPMorgan Securities Japan Co., Ltd.	5,688	1.23

Note: Shares of less than one thousand have been rounded down in the "Number of shares held."

Distribution of Ownership among Shareholders



Stock Price and Trading Volume



	2021.3	2022.3	2023.3	2024.3	2025.3
High (yen)	15,773	23,057	20,943	40,160	40,860
Low (yen)	6,308	14,223	11,517	14,810	20,100
Total shareholder return (%) (TOPIX, dividends reinvested)	233.7 (142.1)	321.5 (145.0)	255.5 (153.4)	608.1 (216.8)	330.0 (213.4)

Note: The Company implemented a 3-for-1 common stock split on April 1, 2023. Stock price is calculated on the assumption that stock split was implemented at the beginning of fiscal 2021.

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Tokyo Electron's Logo

Tokyo Electron's logo was created as a symbol for our next stage of growth, based on our Corporate Philosophy and Vision in 2015. This simple design represents our reliability and the engaging presence we bring to a competitive industry. The green square at the center of the logo signifies the core of innovation supporting development in the industry; the translucent blue expresses our leading-edge advanced technology. We strive to contribute to the development of a dream-inspiring society through our leading-edge technologies and reliable service and support.

Cover Image

This cover image demonstrates the 1st Wave (IoT, Cloud/Edge computing, Industry 4.0), 2nd Wave (AI, AR/VR, autonomous driving), and 3rd Wave (quantum computing, 6G/7G, Industry 5.0) leading the growth of the semiconductor industry, with a focus on our equipment. By providing the Best Products and Best Technical Service, we will contribute to technological innovation in semiconductors and the actualization of a dream-inspiring society.

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