TOKYO ELECTRON

Investors' Guide

May 11, 2026

Tokyo Electron Limited

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Updates

Slide Title	Updates
Company Profile	Reflected FY2026 results Number of employees and global network updated as of May 1, 2026
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The Market TEL Participates in CY2025 SPE Makers Top 15 World Market Share of Major Products (CY2025) Outlook for the Semiconductor Market WFE Market	Reflected latest third-party market data
TEL's Growth Financial Performance: Sales and Operating Margin	Reflected results of FY2026
TEL's Strengths Continually Pursuing the Best Products and Best Service Maximize Utilization of TEL's Comprehensive Strengths Providing Diverse Systems and Solutions for Diverse Needs	Install based updated as of March 30, 2026
Business Environment and Financial Estimates	Updated to the Q4FY2026 earnings briefing presentation
Field Solutions (FS) Sales Results and Business Contents	Reflected results of FY2026 Install based updated as of March 30, 2026
NAND Technology Roadmap (Generic)	Revised footnote
Appendix: Data Section	Reflected Q4/ full-year FY2026 results Number of employees updated as of May 1, 2026.

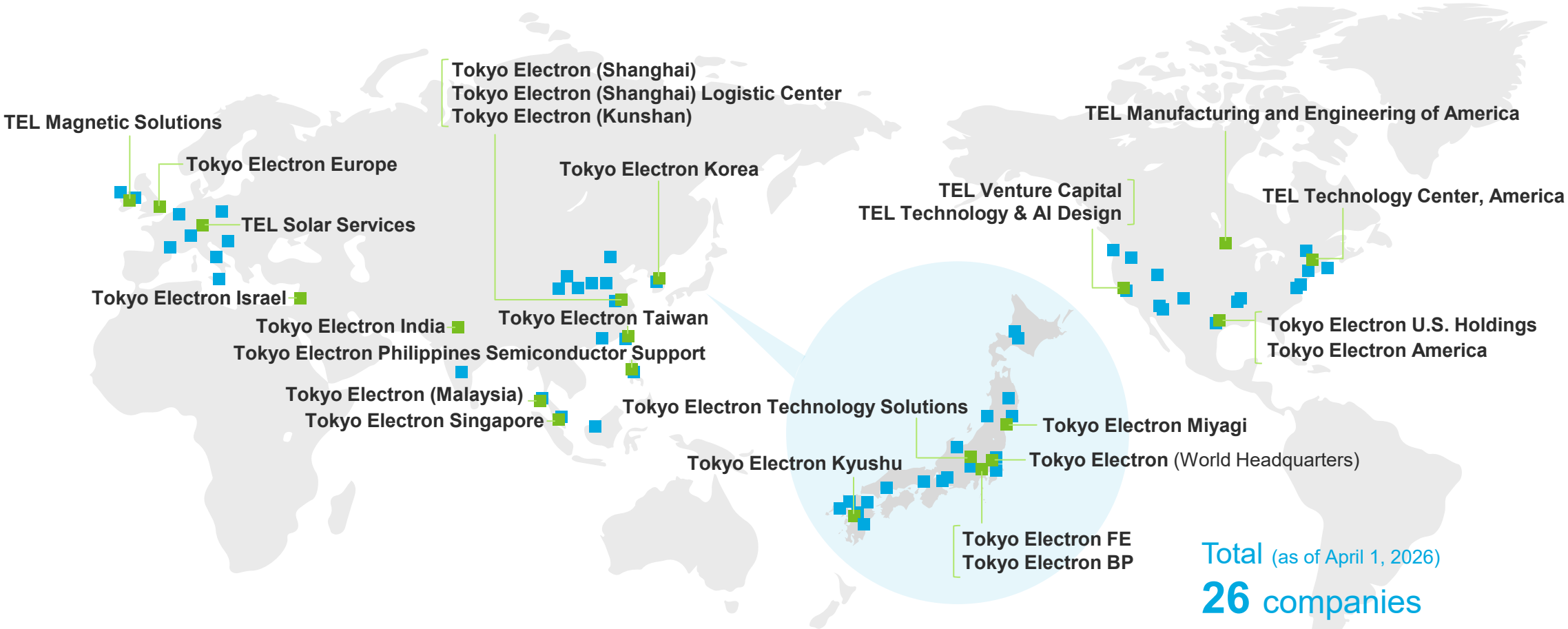
1. TEL Overview

Company Profile

Established	November 11, 1963
Major Products and Services	Semiconductor Production Equipment
Capital	54.9 Billion Yen
Sales/Profit	Net sales 2,443.5 Billion Yen / Operating income 624.9 Billion Yen / Operating margin 25.6% (Fiscal 2026)
Number of Employees	2,436 (non-consolidated) 20,812 (consolidated) (as of April 1, 2026)
Global Network	Japan: 6 companies / 30 sites Overseas: 20 companies / 17 countries and regions / 72 sites Total: 26 companies / 18 countries and regions / 102 sites (consolidated) (as of April 1, 2026)

Worldwide Operations

(As of May 1, 2026)



Head Office

Branch, Office (including Field Service), Sales Office

*Group companies in the process of being wound up are not shown on the map.

Total (as of April 1, 2026)

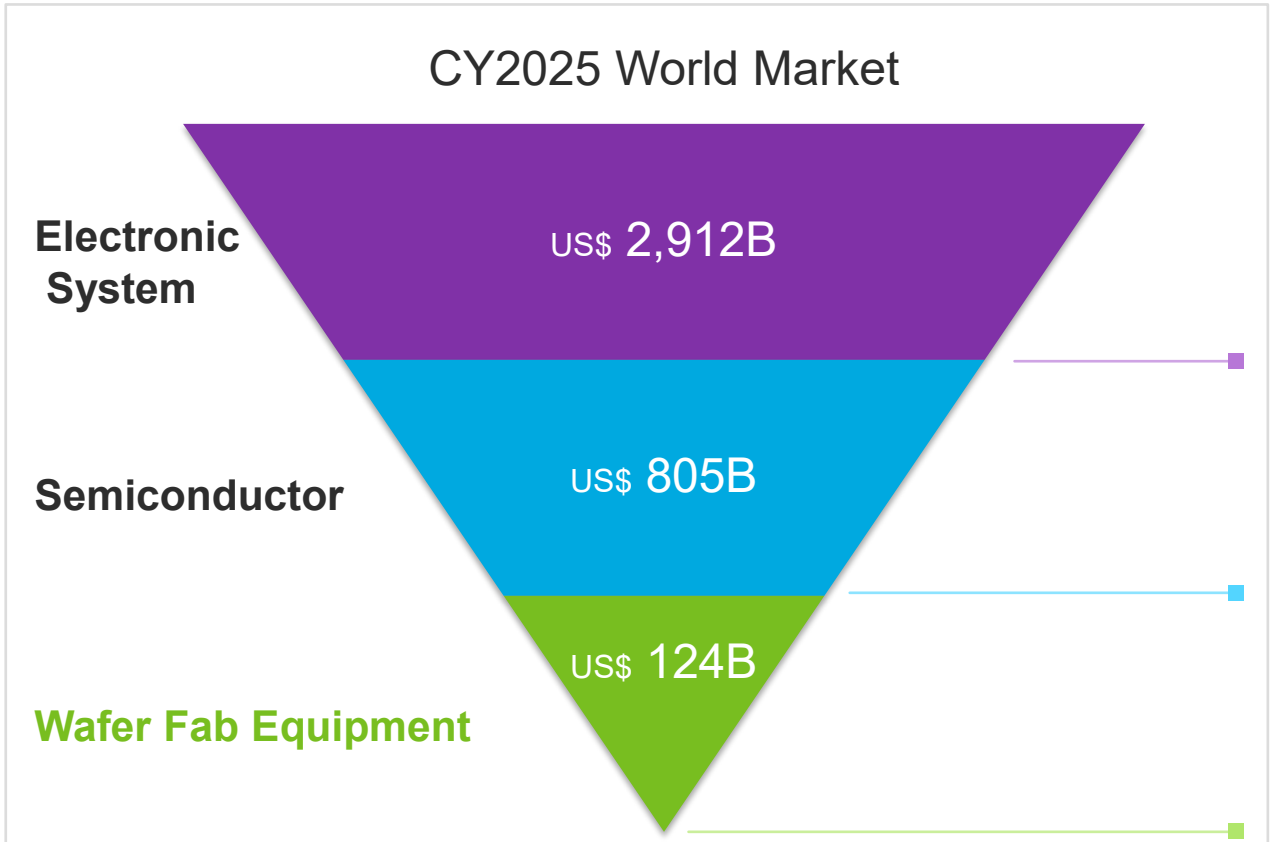
26 companies

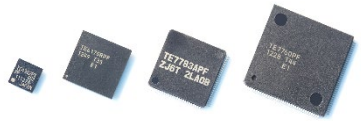
18 countries and regions

102 sites

The Market TEL Participates in

The market TEL participates in





Charts created by Tokyo Electron based on Gartner research.
Source: Gartner®, "Forecast: Semiconductor Capital Spending, Wafer Fab Equipment and Capacity, Worldwide, 1Q26", Bob Johnson et al., 22 April 2026
Electronic System = Electronic Equipment Production/Semiconductor = Semiconductor Revenue /Wafer Fab Equipment = Total Wafer Fab Equipment Revenue Basis.
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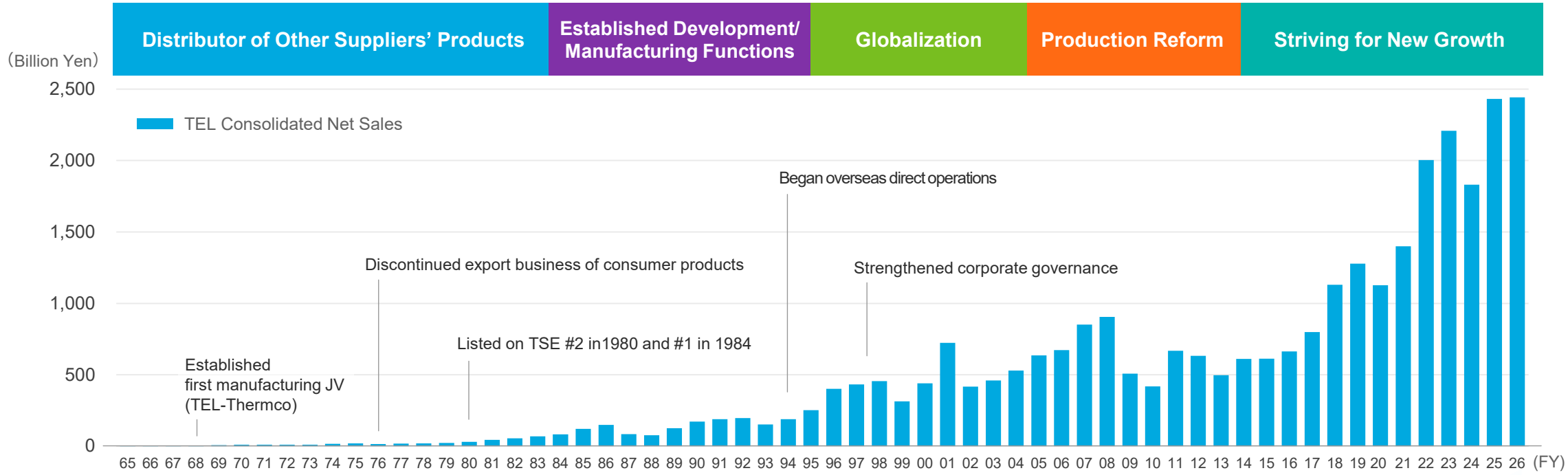
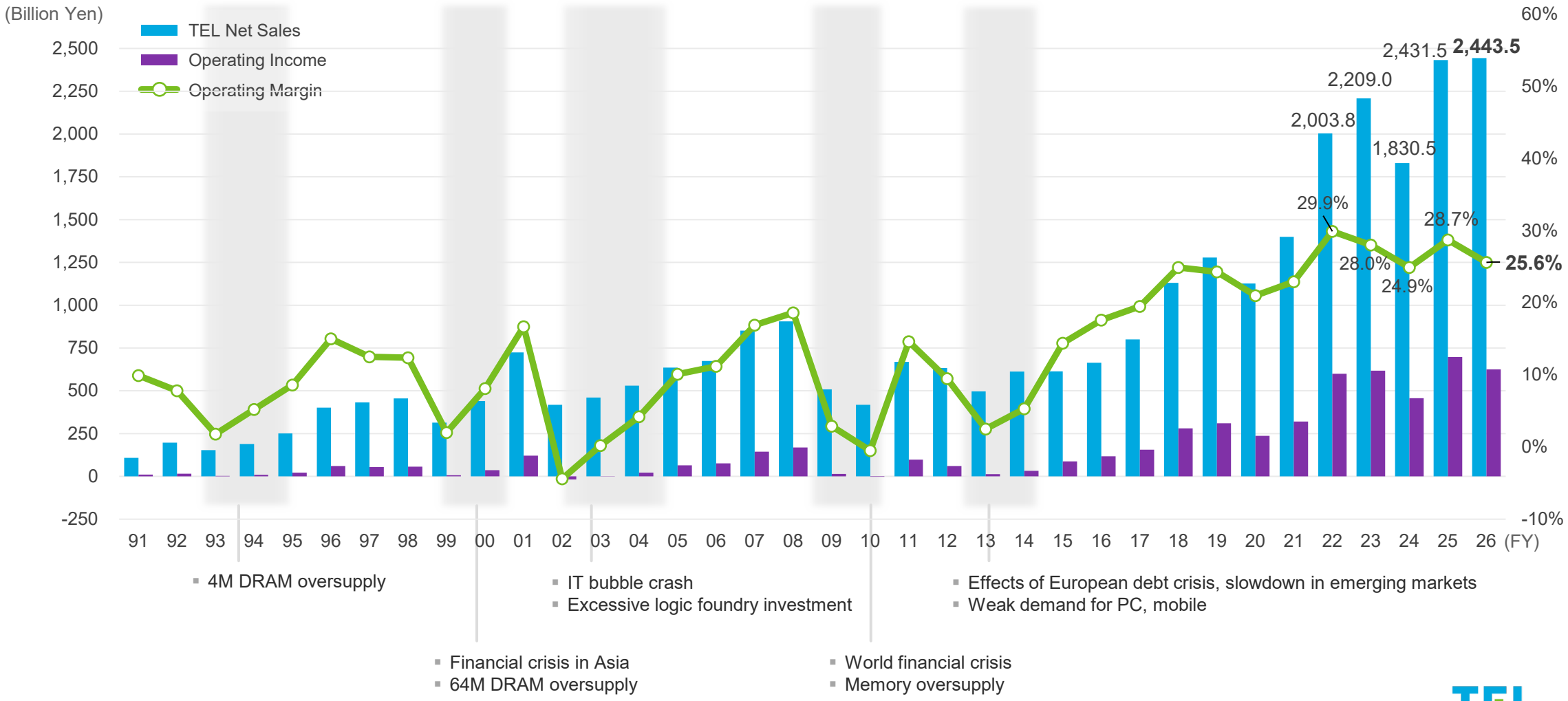
TEL's Growth

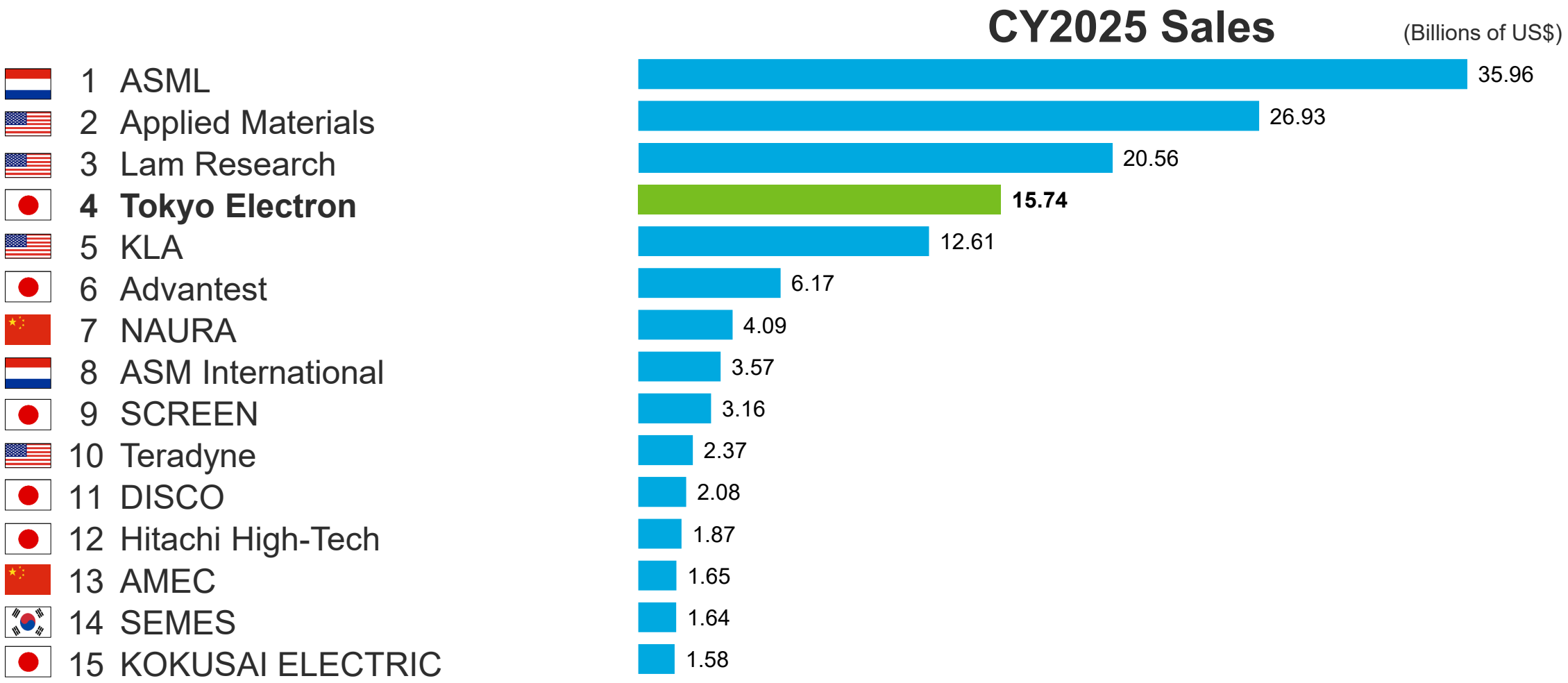


*The diagram is an image of the expanding use of semiconductors and does not indicate the actual number of semiconductors used.

Financial Performance: Sales and Operating Margin



CY2025 SPE Makers Top 15



Source：TechInsights Inc., May 2026

Semiconductor Manufacturing Process

TELCC-SMP-004

Wafer Process (Front-end)
Assembly and Test Process (Back-end)

Deposition

TELINDY PLUS™ NT333™ Episode™1

Lithography
(Photoresist coating, Development)

CLEAN TRACK™ LITHIUS Pro™ Z

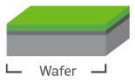
Etching

Tactras™ Episode™ UL Certas LEAGA™

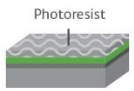
Cleaning

CELLESTA™-i

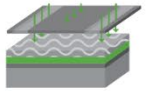
Repetition



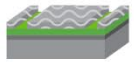
Film deposition



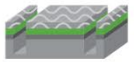
Photoresist coating



Exposure

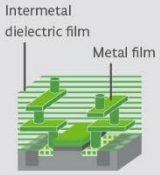


Development



Etching

Ashing / Cleaning



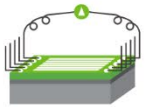
Completed Transistor and Wiring

Bonding

Synapse™ Si Ulucus™ L / Ulucus™ LX

Wafer Probe Testing

Prexa™ Cellcia™

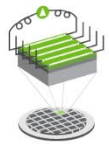


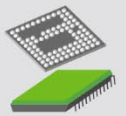
Wafer Bonding / Debonding

Synapse™ V / Synapse™ Z Plus

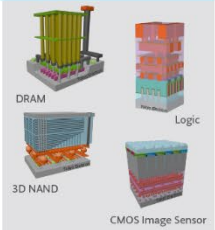
Inspection

WDF™ 12DP+

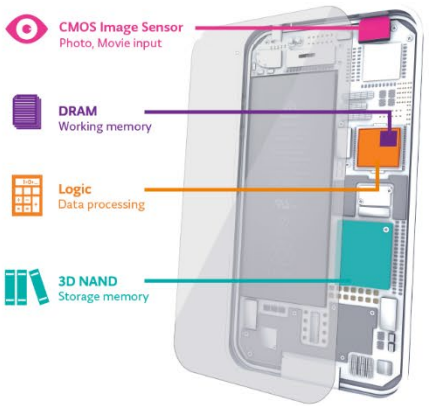




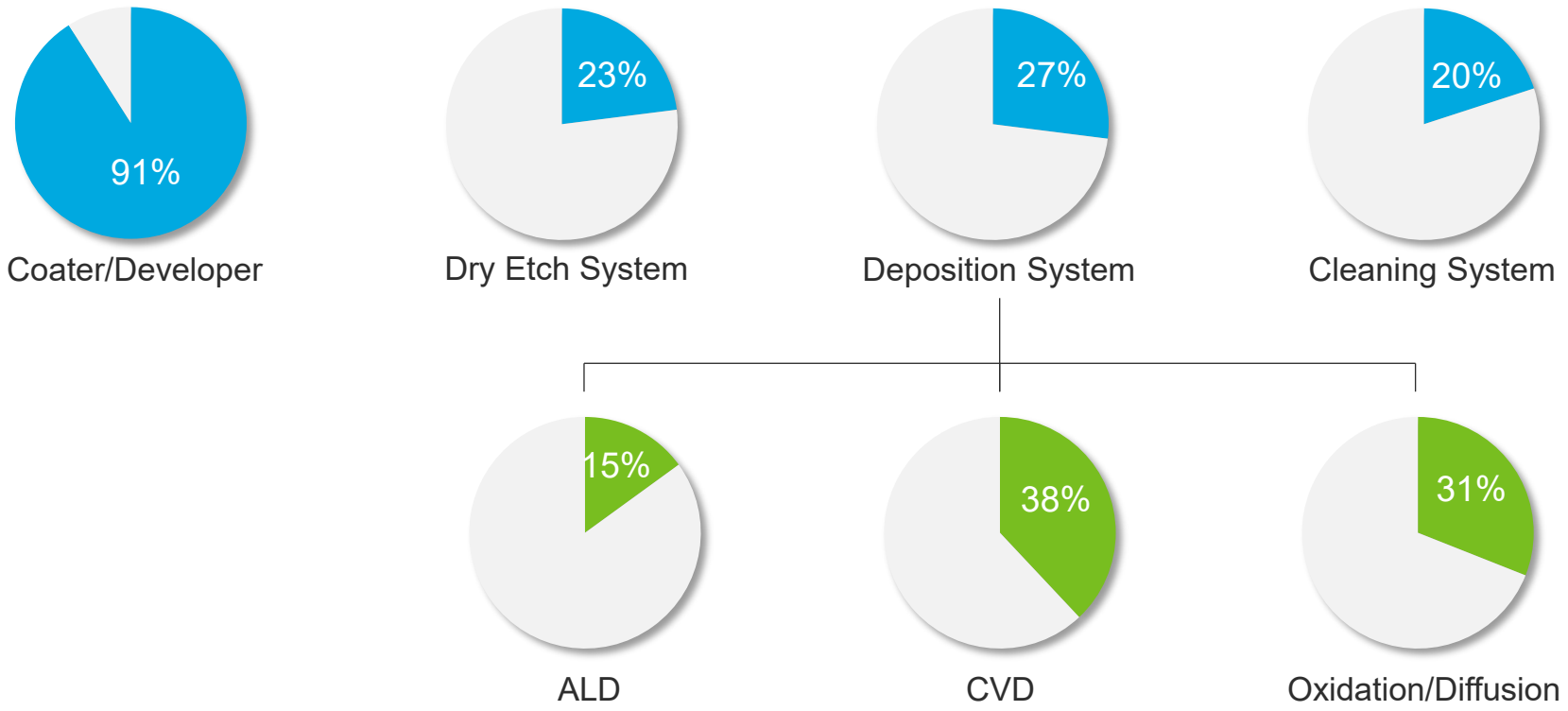
Completed Semiconductor Packaging

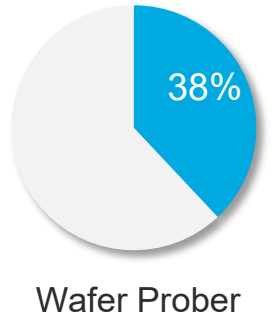


Completed Integrated Circuit



World Market Share of Major Products (CY2025)





Source
Gartner®, Market Share: Semiconductor Wafer Fab Equipment, Worldwide, 2025, Bob Johnson and Menglin Cao, 2 April 2026, Revenue from Shipments basis. Chart created by TEL based on Gartner research.
Gartner research. Calculations performed by TEL.
Coater/Developer: Photoresist Processing (Track), Dry Etch System: Dry Etch, Deposition System: Tube CVD + Atomic Layer Deposition Tools + Oxidation/Diffusion Furnaces + Nontube LPCVD, ALD: Atomic Layer Deposition Tools, CVD: Tube CVD + Nontube LPCVD, Oxidation/Diffusion: Oxidation/diffusion Furnaces, Cleaning System: Single Wafer Processors + Wet Stations + Batch Spray Processors + Scrubbers + Other Clean Equipment, Wafer Bonder: Wafer Bonder.
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Source
SPE (Wafer Prober) : Auto Probers,
TechInsights Inc., April 2026
Charts/graphics created by Tokyo Electron based on :
TechInsights Inc.

TEL's Strengths

Have advanced products for the 4 key process

Deposition | Coater/ Developer | Etch | Cleaning

No.1/No.2

Products with the world's No. 1 or No.2 market share

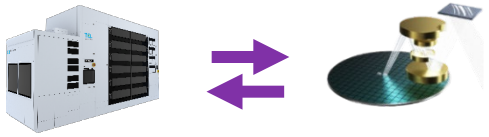
Major Products & Market Position*

#1	#2	#2	#1	#1	#1	#2	#1	#2
Coater/ Developer	Cleaning	Plasma Etch	Gas Chemical Etch	Diffusion Furnace	Batch Deposition	Metal Deposition	Prober	Bonding

*TEL estimate

100%

Market share of coater/developer for EUVL



Coater/ Developer | EUV Lithography

*TEL estimate

No.1

Worldwide installed base

Annual increase by about
4,000～6,000 units*1
Industry's largest installed base
100,000 units*2

*1 As of March 2026
*2 As of March 2026

R&D Map

(As of May 1, 2026)

TEL Magnetic Solutions (Ireland)

imec (Belgium)

CEA-Leti (France)

TEL Technology Center, Taiwan (Taiwan)

Tokyo Electron India (India)

IME (Singapore)

TEL Technology Center Korea (Korea)

TEL Digital Design Square
Tokyo Electron Technology Solutions
Tokyo Electron Miyagi
Tokyo Electron Kyushu
(Japan)

National Institute of Advanced Industrial Science and Technology
(Japan)

TEL Manufacturing and Engineering of America (U.S.)

TEL Technology Center, America (U.S.)

TEL Technology & AI Design (U.S.)

NY Creates Albany NanoTech Complex (U.S.)

BRIDG (U.S.)

Tokyo Electron America (U.S.)

TEL R&D base
Consortium

Strengthen R&D Capabilities

Yamanashi R&D building
Deposition system, gas chemical etch system, corporate R&D
(Completed in July 2023)

Miyagi R&D building
Etch system
(Completed in April 2025)

Kumamoto R&D building
Coater/Developers, surface preparation system, Bonder
(Completed in October 2025)

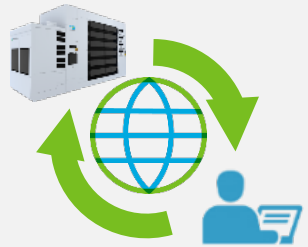
Miyagi Technology Innovation Center
Etch system
(Completed in September 2021)

TEL Digital Design Square
DX, Software
(Began operation in November 2020)

Continually Pursuing the Best Products and Best Service

Front-loading

Advanced field solutions



- Share roadmap for next several generations with customers
- Promote early engagement
- Realize maximum yield of customer devices and equipment availability from early stage of customers' mass production and reduce burden on the environment
- Further increase investment in human resources/R&D by raising operational efficiency and driving higher per-employee productivity

- Business development leveraging industry's largest installed base of 100,000 units*
- TELeMetrics™ remote maintenance
- Predictive maintenance with machine learning

* As of March 2026

Maximize Utilization of TEL's Comprehensive Strengths

Sales

Customer trust

Broad product coverage

Market-ing

Advanced data collection and analysis abilities

FS

- **Largest installed base in industry: over 100,000 units***
- **Advanced FS**

* As of March 2026

R&D

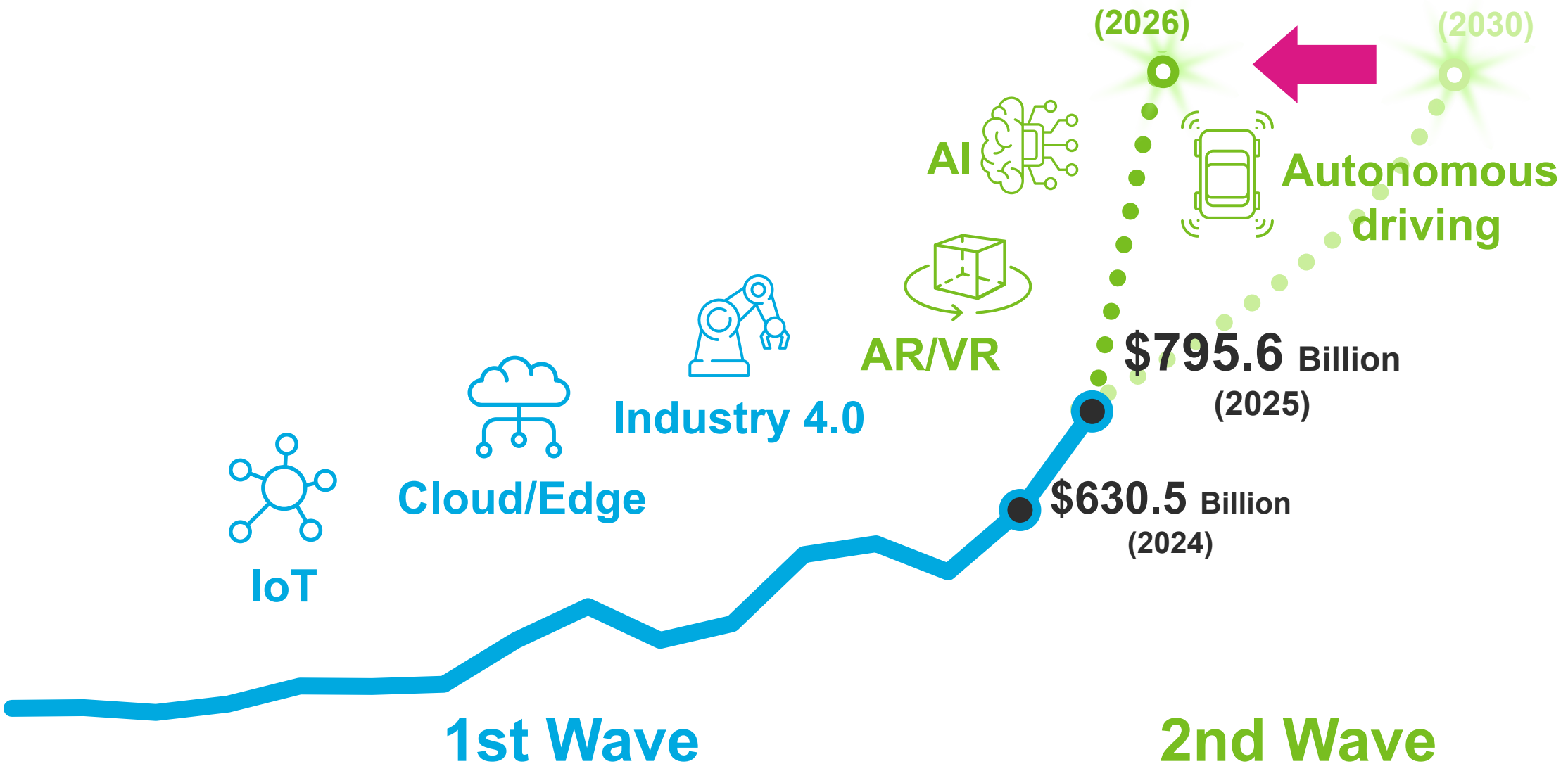
- **Strong next generation product development**
- **Process integration**

Manu-facturing

- **High quality**
- **Robust supply chain**

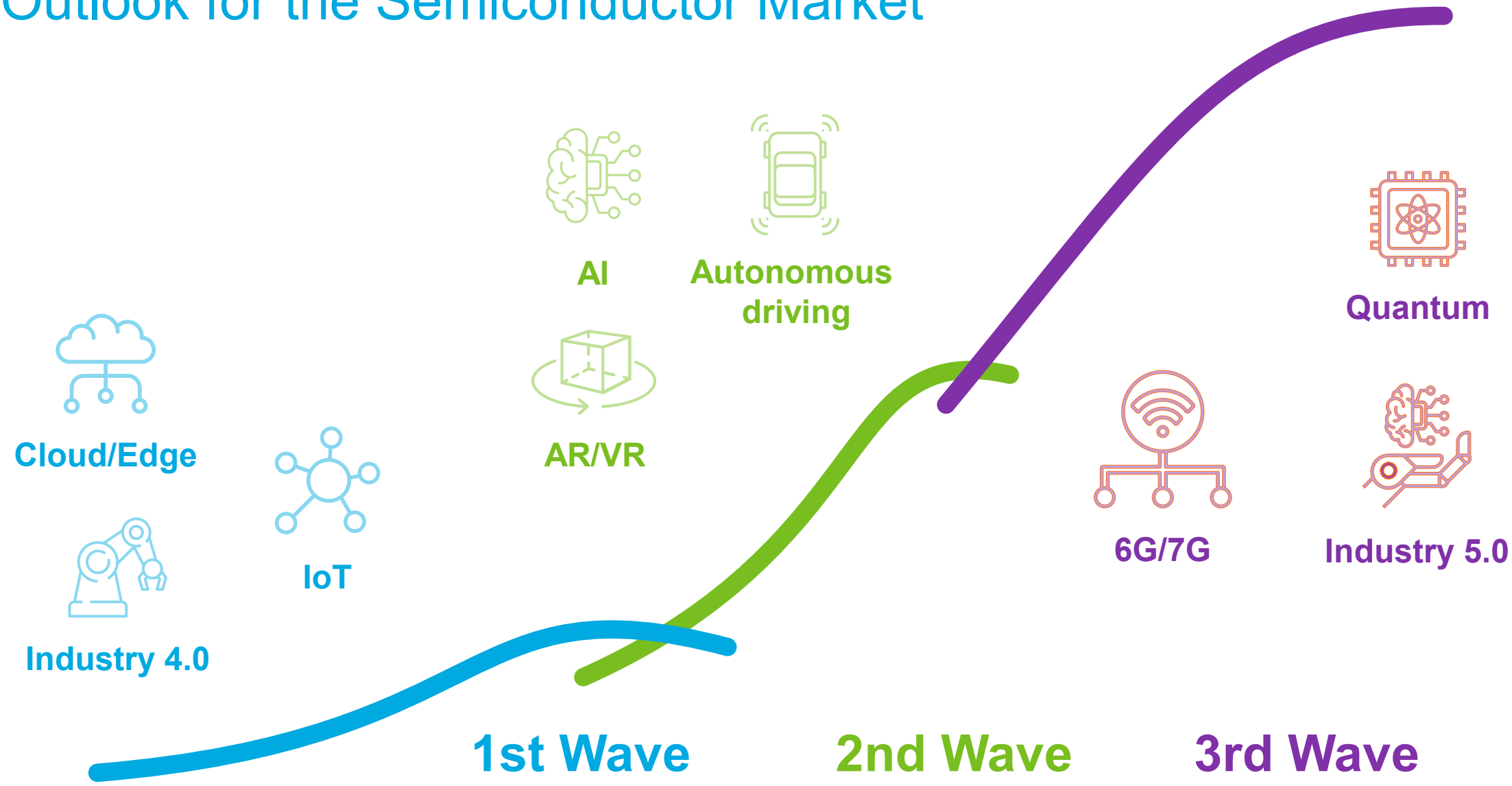
2. Semiconductor and SPE Market Outlook

Outlook for the Semiconductor Market $1.4 Trillion $1 Trillion

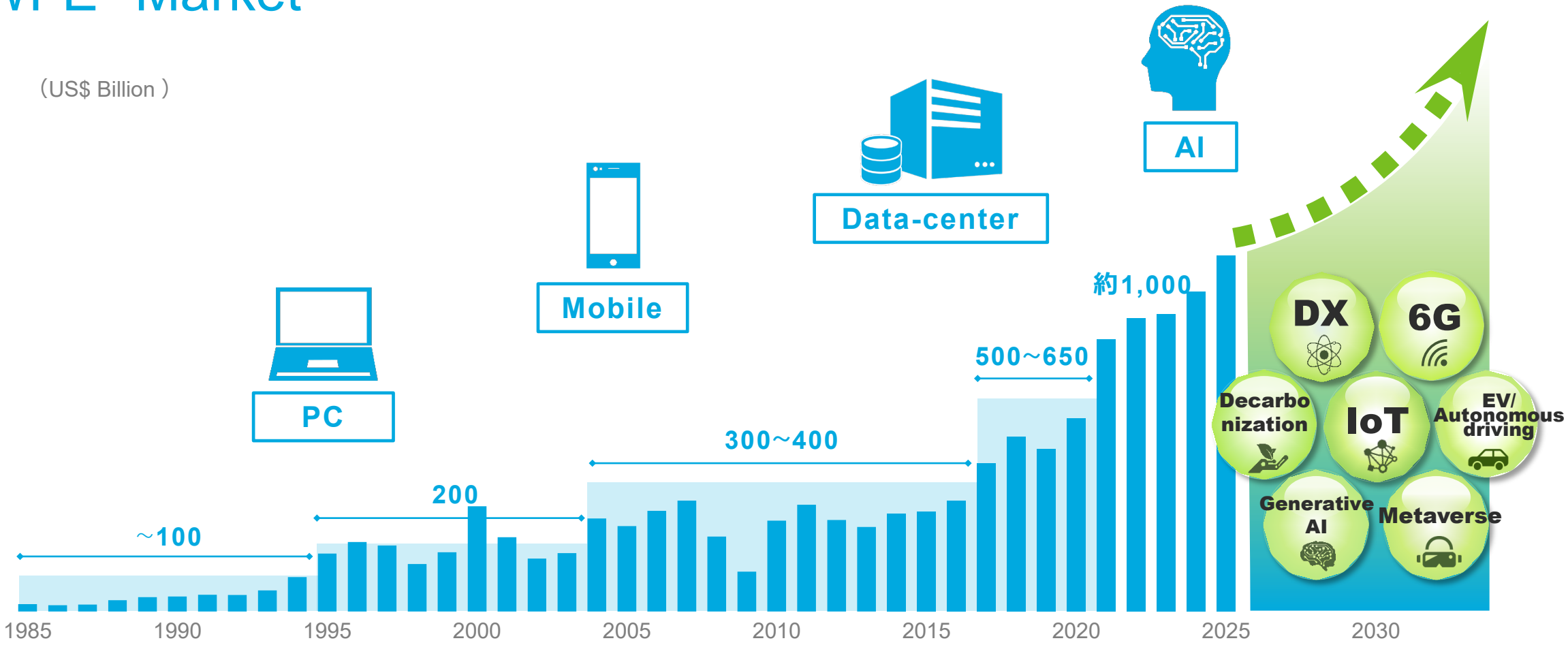


Source:1990-2025 (WSTS, February 2026)／2026 (TechInsights, March 2026)

Outlook for the Semiconductor Market



WFE* Market



* WFE (Wafer Fab Equipment): The semiconductor production process is divided into front-end production, in which circuits are formed on wafers and inspected, and back-end production, in which wafers are cut into chips, assembled and inspected again. WFE refers to the production equipment used in front-end production and in wafer-level packaging production.

Source : TechInsights Inc. (1985~2025)

WFE Market will grow further with progress of digitalization and evolution of semiconductors

Green Future Through Semiconductor Evolution

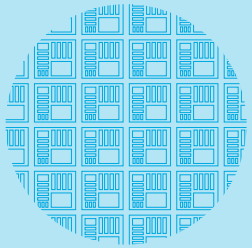
Digital & Green

Higher Speed

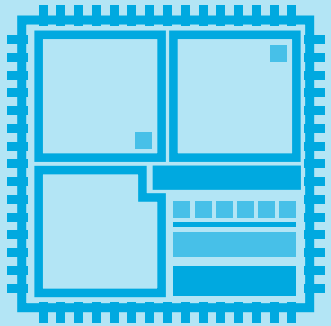
Larger Capacity

Superior Reliability

Lower Power Consumption



Physical Scaling



Heterogeneous Integration

Physical Scaling x Heterogeneous Integration

Frontend

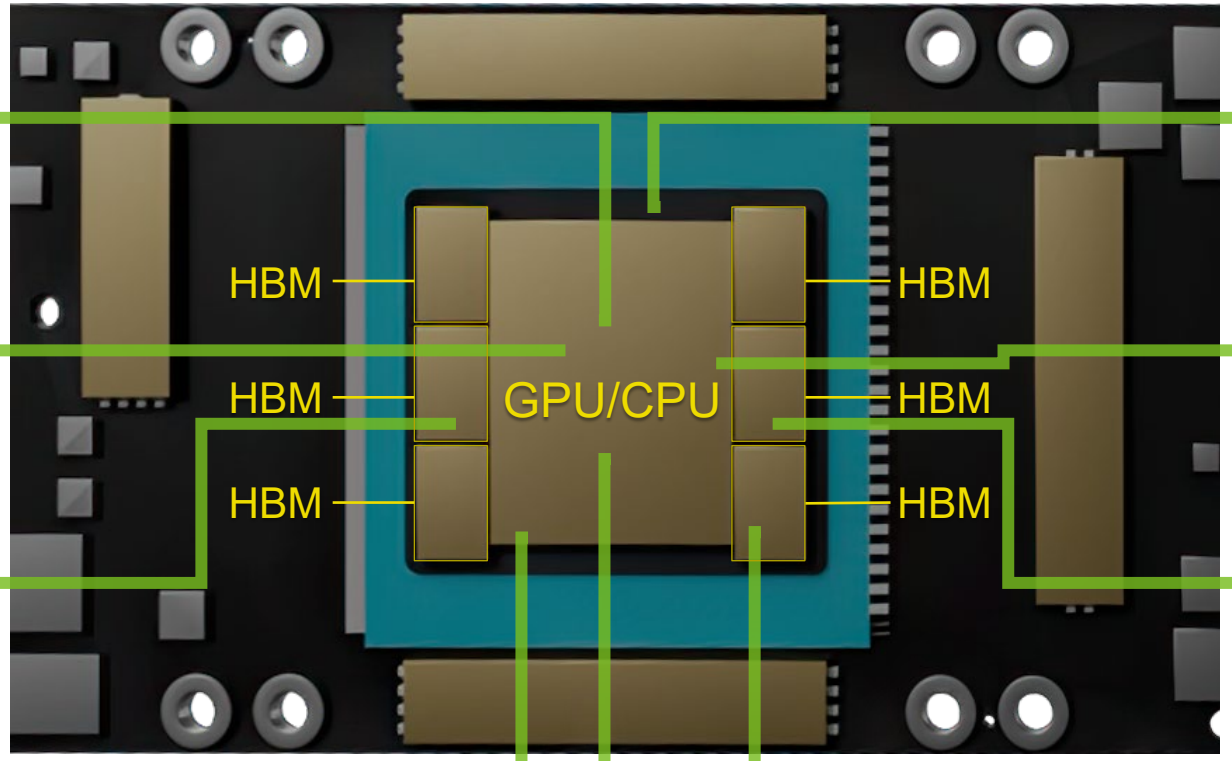
Logic
GAA * / CFET

Logic
Backside PDN *

DRAM
4F² VCT * / 3D DRAM

Super Flat Wafer

AI Semiconductor



Advanced Packaging

Heat Spreader

3DIC
Chiplet Integration

Stack Memory
HBM, etc.

Known Good Die

* GAA : Gate All Around
* Backside PDN : Backside Power Delivery Network
* VCT : Vertical Channel Transistor

Expanding Opportunities: Wide Product Portfolio

Frontend

Advanced Packaging

Deposition | Lithography | Etch | Cleaning | Testing | Bonding / Debonding

Batch Deposition | Semi-batch Deposition | Single Deposition | Coater/ Developer | Plasma Etch | Gas Chemical Etch | Cleaning | Prober | Wafer Bonder/ Debonder | Wafer Edge Trimming/ XLO*

*XLO: Extreme Laser Lift Off

Growing Opportunities: Scaling x Heterogeneous Integration

Etch	**>500 B yen**	• DRAM Etchers for Interconnect: Growth driven by increased investment in HBM with more interconnect layers Cumulative sales over 500 billion yen expected by 2030
Bonder **Laser**	**>500 B yen**	• 3D Integration Equipment including Bonders: Rapid expansion across all applications Cumulative sales over 500 billion yen expected by 2030
Prober	**CAGR >15%**	• Probers for AI/HPC: Driven by longer test times and more process steps, projecting CAGR over 15% (CY2025-CY2030)
Die Prober **PECVD**	**SAM +10%**	• Die Probers: Development and evaluation agreed with customers Creating 10-15% of the prober market SAM • PECVD for Gap Fill: SAM estimated to be approx. 10% of PECVD market Evaluations progressing with multiple customers

Strategic Technologies for Future Growth

Frontend

Logic : GAA, BSPDN

- EUV Coater/Developer
- Gas Chemical Etch
- Conductor Etch
- PVD Metal Overburden
- CFET/Inner Spacer Plasma CVD for filling film
- Double-sided scrubber
- Backside/bevel cleaning
- Pattern Shaping
- Wafer Bonder
- Laser Tool

DRAM: 2D & 3D DRAM

- EUV Coater/Developer
- Capacitor Mold Etch
- Batch High-k Capacitor deposition
- PVD Metal Hardmask
- Supercritical Cleaning
- Backside/bevel Cleaning
- Wafer Bonder
- Laser Tool

NAND: Beyond 4xx

- Slit Etch
- Channel Hole Etch (Plug)
- Batch low-resistance metallization
- Batch Cleaning WL Separation
- Wafer Bonder
- Laser Tool

Advanced Packaging

Logic Packaging

- Interposer, Polyimide & PR Coater/Developer
- TDV Etch
- Batch High-k Capacitor depo
- Wafer Bonder
- Laser Tool

HBM Packaging

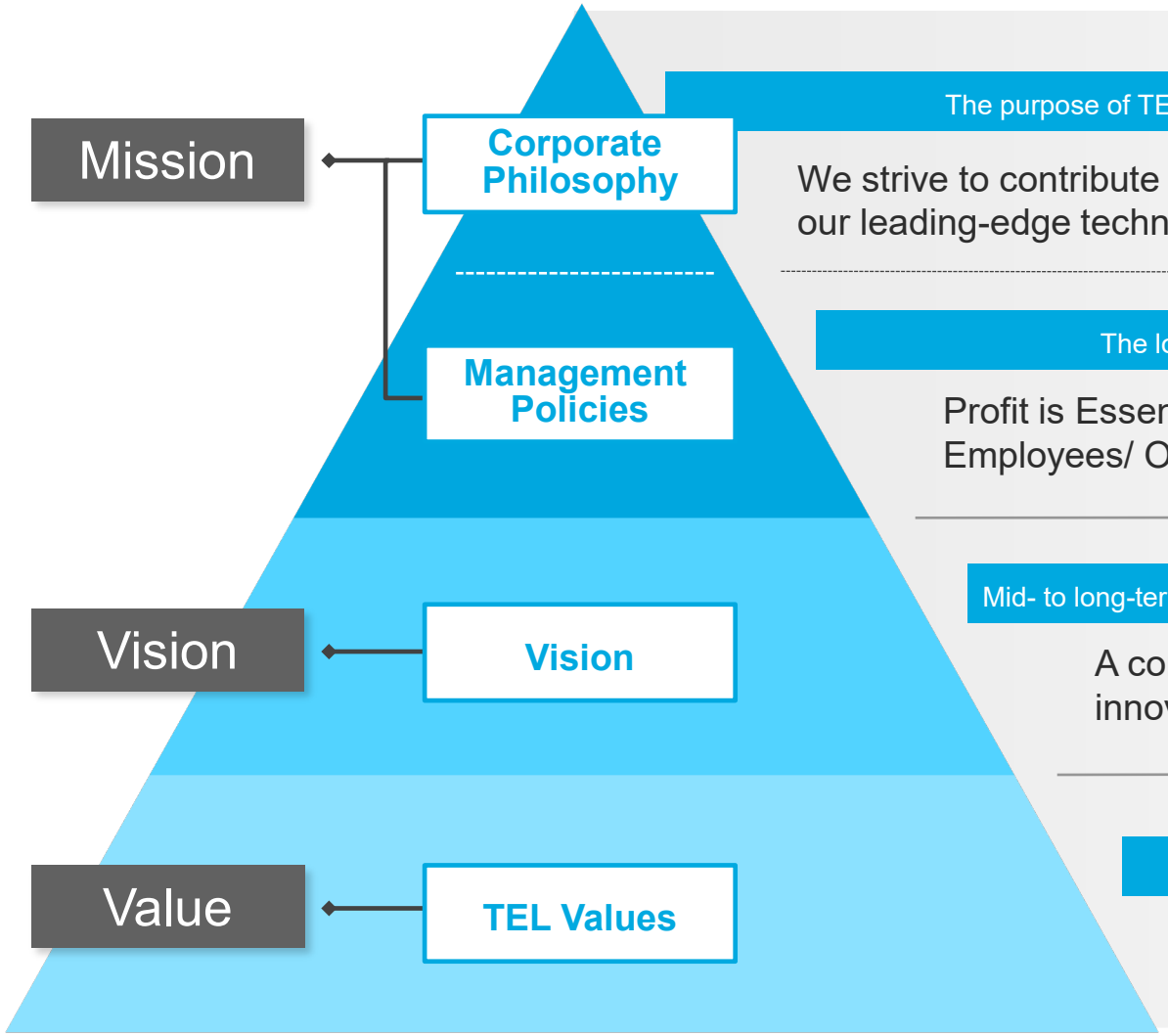
- Polyimide & PR Coater/Developer
- Metal Etch for HBM
- Aerosol Cleaning
- Temporary Bonder/Debonder

Advanced Logic / Memory Test

- Prober

3. Corporate Principles and New Medium-term Management Plan

Corporate Principles System



Corporate Philosophy

The purpose of TEL's existence and its mission in society

We strive to contribute to the development of a dream-inspiring society through our leading-edge technologies and reliable service and support

Management Policies

The logic that underscores general rules of management

Profit is Essential/Scope of Business/Growth Philosophy/Quality and Service/ Employees/ Organizations/Safety, Health, and the Environment/Social Responsibility

Vision

Mid- to long-term business aspirations based on our Corporate Philosophy and Management Policies

A company filled with dreams and vitality that contributes to technological innovation in semiconductors

TEL Values

Attitudes, codes of conduct, and values to be observed by each employee

Pride/Challenge/Ownership/Teamwork/Awareness

Vision

A company filled with dreams and vitality that contributes to technological innovation in semiconductors

Tokyo Electron pursues technological innovation in semiconductors that supports the sustainable development of the world.

We aim for medium- to long-term profit expansion and continuous corporate value enhancement by utilizing our expertise to continuously create high value-added leading-edge equipment and technical services.

Our corporate growth is enabled by people, and our employees both create and fulfill company values. We work to realize this vision through engagement with our stakeholders.

Technology Enabling Life

"Technology Enabling Life" is our corporate message that expresses the Corporate Principles which consist of our Corporate Philosophy, Management Policies, Vision and TEL Values.

CSV
(Creating Shared Value)

The concept is to create social and economic value by leveraging corporate expertise to solve social issues, hereby enhancing corporate value and achieving sustainable growth.

TSV
TEL's Shared Value

=

- Pursue technological innovation in semiconductors that supports the sustainable development of the world
- Continuously create high value-added leading-edge equipment and technical services
- Medium- to long-term profit expansion and continuous corporate value enhancement
- Engagement with our stakeholders

Realization of Vision = Creating Shared Value in TEL

Our Approaches to Social Issues

Sustainable development of the world / Diversification of values and happiness

Solutions

Online/Metaverse	AI diagnosis/Prevention/Robots	Smartification	EV/Autonomous driving/MaaS
			

Technologies

Higher speed communication (5G/6G)	Cloud/Edge Computing	AI	IoT	AR/VR/MR

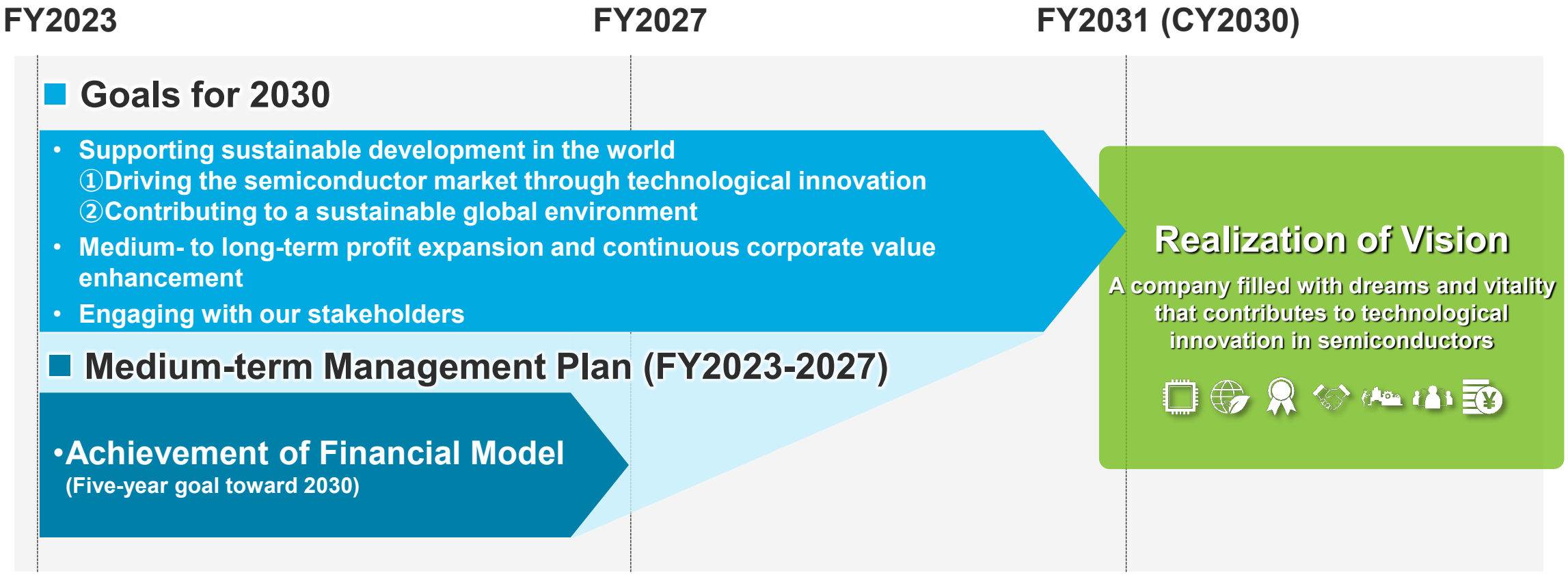
Semiconductors

Logic	Memory	Power	Analog	Sensor	Display

Pursue technological innovation in semiconductors：
Larger capacity/Higher speed/Higher reliability/Lower power consumption

Higher definition/Flexible /Lower power consumption

Vision & Medium-term Management Plan

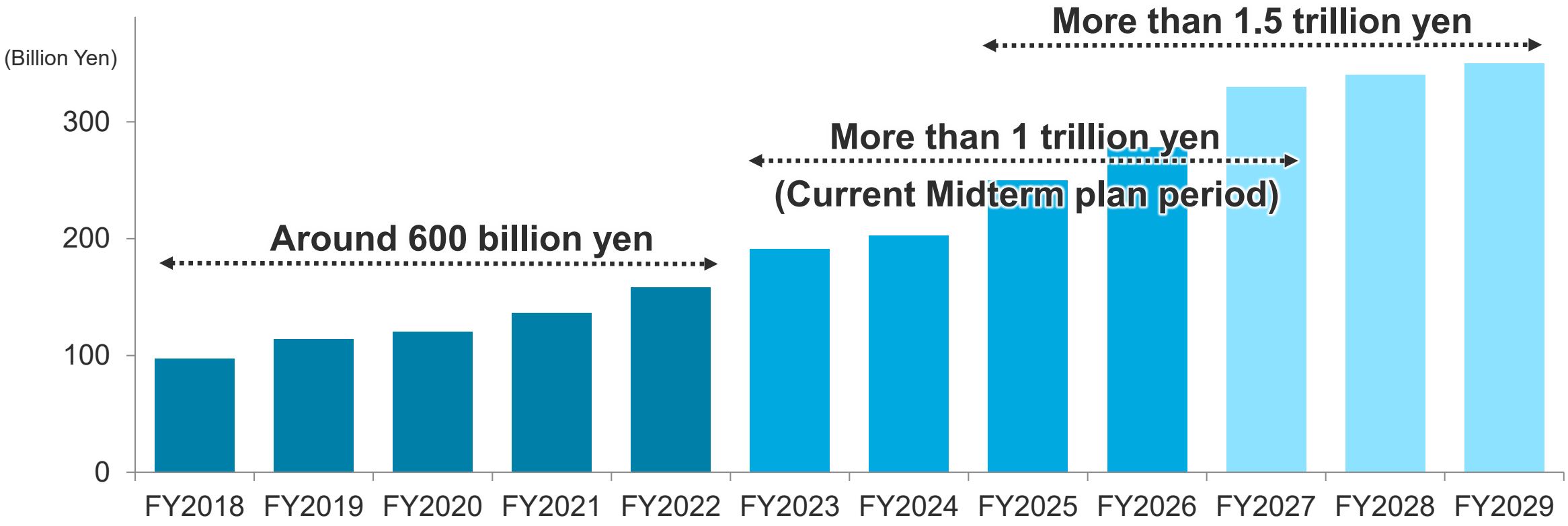


Aiming to achieve the Medium-term Management Plan
by FY2027 with a view to realizing Vision in 2030

The New Medium-term Management Plan : Financial Targets

Financial Targets (FY2023 - FY2027)	
Net sales	≧ 3 trillion yen
OP margin	≧ 35%
ROE	≧ 30%

Aggressive Investment in R&D

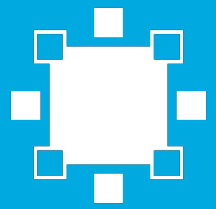


Driving the creation of high-value next-generation products through further growth investments

Investment for Growth Visioning beyond the Midterm Plan (FY2025 to FY2029)

R&D Investment

1.5
trillion yen



Capex

700
billion yen

Recruitment

10,000
people
2,000 people/year

4. Business Environment and Financial Estimates

Business Highlights for FY2026

Record-high Net Sales & Net Income

- Net Sales
  - Q4: 711.8 billion yen
  - FY2026: 2,443.5 billion yen
- Net Income
  - Q4: 214.2 billion yen
  - FY2026: 574.4 billion yen

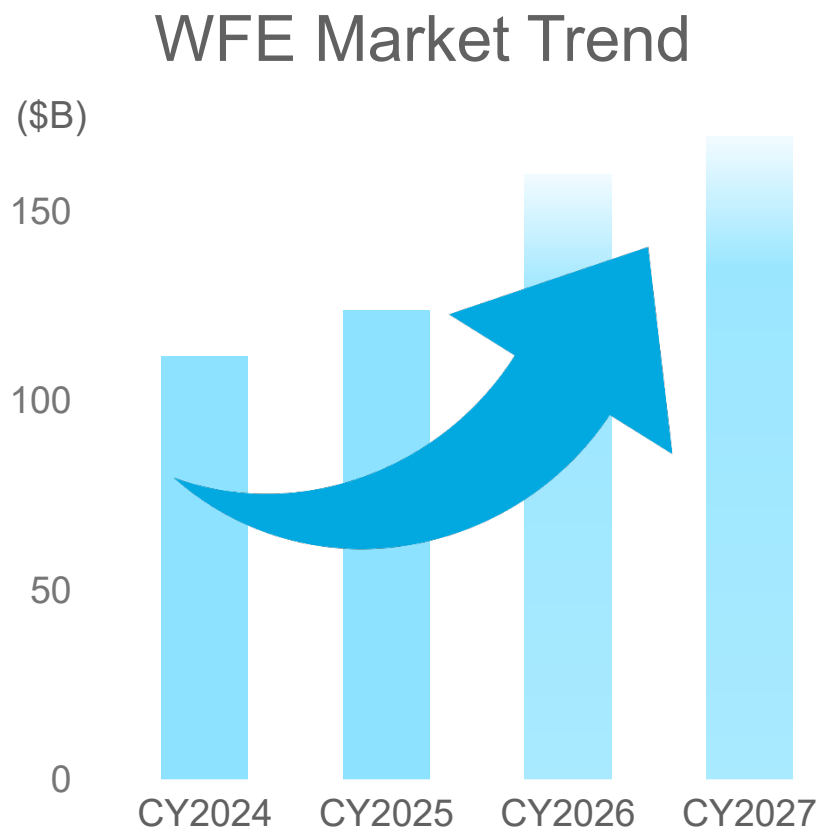
Infrastructure Secured for Future Growth

- Construction Completed
  - R&D center: Miyagi and Kumamoto
  - Production & logistics center at Iwate
- Under Construction
  - New production building at Miyagi: implementing TEL's Smart Production concept

PORs in Growth Sectors

- Memory
  - Leading position in major processes such as DRAM capacitors, HBM interconnects
- Advanced Packaging
  - PORs in multiple products

Business Environment (WFE Market Outlook as of April 2026)



- WFE Market Outlook: (CY2026-27)
  - Projected range:
    $150B-170B/year
    (20%+ growth vs CY2025)
  - Leading edge applications:
    30%+ growth
  - Geopolitical risks require close monitoring

FY2027 Revenue Drivers

Coater /developers	■ Market share: > 90%
	■ Capture large investment opportunities in DRAM and advanced logic
	■ FY2027 revenue: > +50% YoY
Etch Systems	■ Market share: > 50% (dielectric etch)
	■ HARC, interconnect, and GAA processes
	■ FY2027 revenue: > +25% YoY
Advanced Packaging	■ Leading position in probers for leading-edge logic ■ High share in bonders for HBM
	■ Increase the number of PORs coater/developer, etch, deposition, etc.
	■ FY2026 revenue: Approx. 200 billion yen; FY2027 revenue: > +60% YoY

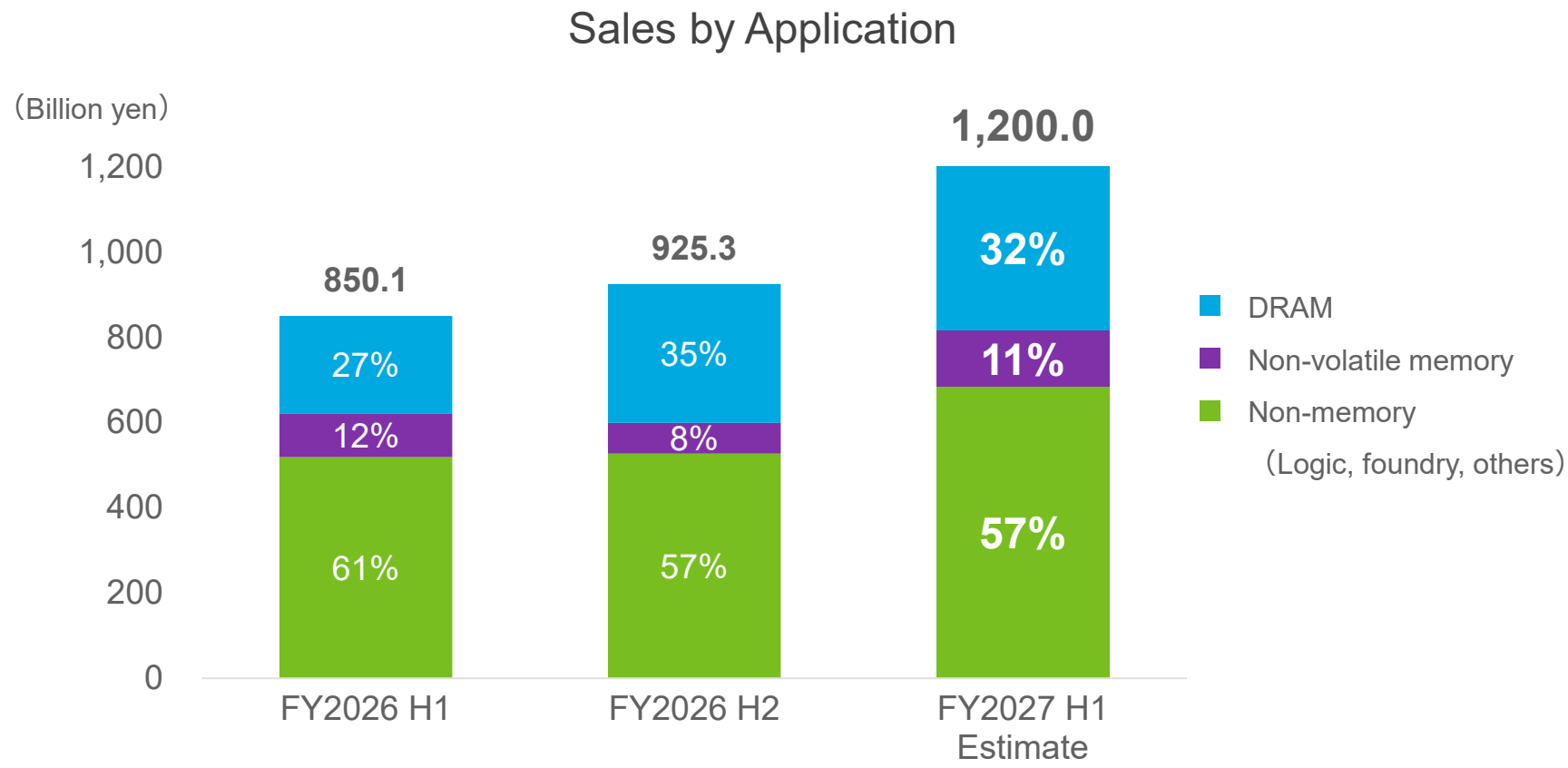
Financial Estimates for FY2027

(Billion Yen)

	FY2026 (Actual)			FY2027 (Estimate)
	H1	H2	Full Year	H1
Net sales	1,179.6	1,263.8	2,443.5	**1,570.0**
Gross profit Gross profit margin	538.8 45.7%	569.0 45.0%	1,107.8 45.3%	**715.0** **45.5%**
SG&A expenses R&D Other than R&D	235.7 134.8 100.9	247.2 143.0 104.1	482.9 277.8 205.0	**284.0** **160.0** **124.0**
Operating income Operating margin	303.1 25.7%	321.7 25.5%	624.9 25.6%	**431.0** **27.5%**
Income before income taxes	312.9	435.1	748.1	**437.0**
Net income attributable to owners of parent	241.6	332.8	574.4	**328.0**
Net income per share (Yen)	527.31		1,254.57	**721.12**

- FY2027 H1 :
  Forecast record high of net sales, gross profit and operating profit driven by AI server demand
- Incremental shipping for DRAM and leading-edge logic in latter CY2026
- Monitoring the impact of blockade in the Strait of Hormuz

FY2027 SPE New Equipment Sales Forecast



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

SPE new equipment sales to grow by 41% YoY

FY2027 R&D Expenses and Capex Plan

Miyagi Development Building No. 3
Etch system

Kurokawa-gun, Miyagi Prefecture
Completed in April 2025

Kumamoto Process Development Building
Coater/developer, cleaning system

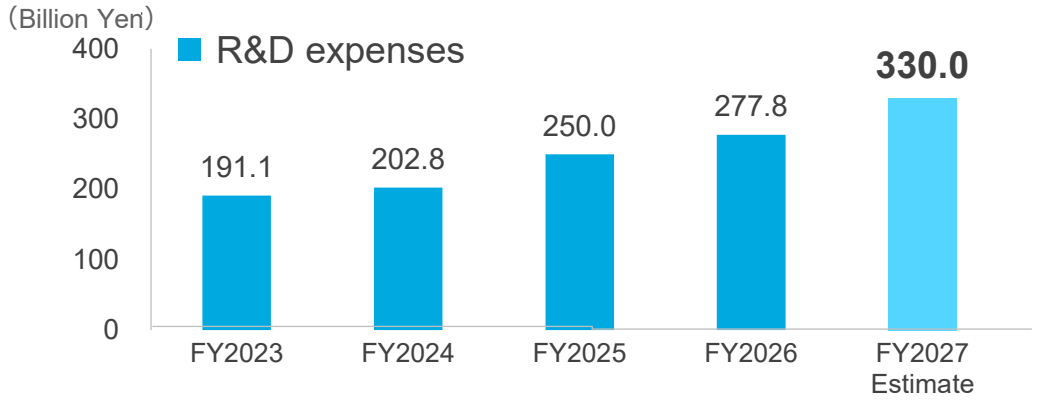
Koshi-city, Kumamoto Prefecture
Completed in October 2025

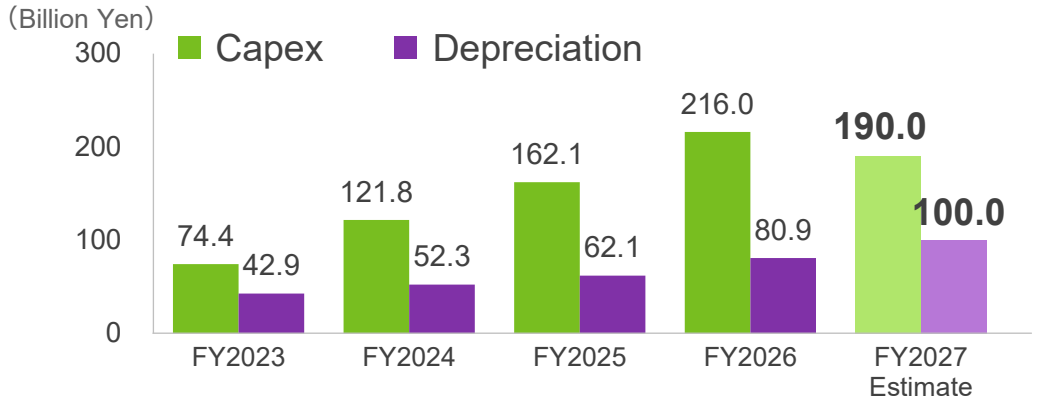
Tohoku Production and Logistics Center
Deposition system

Oshu-city, Iwate Prefecture
Completed in November 2025

Miyagi Innovative Production Center
Etch system

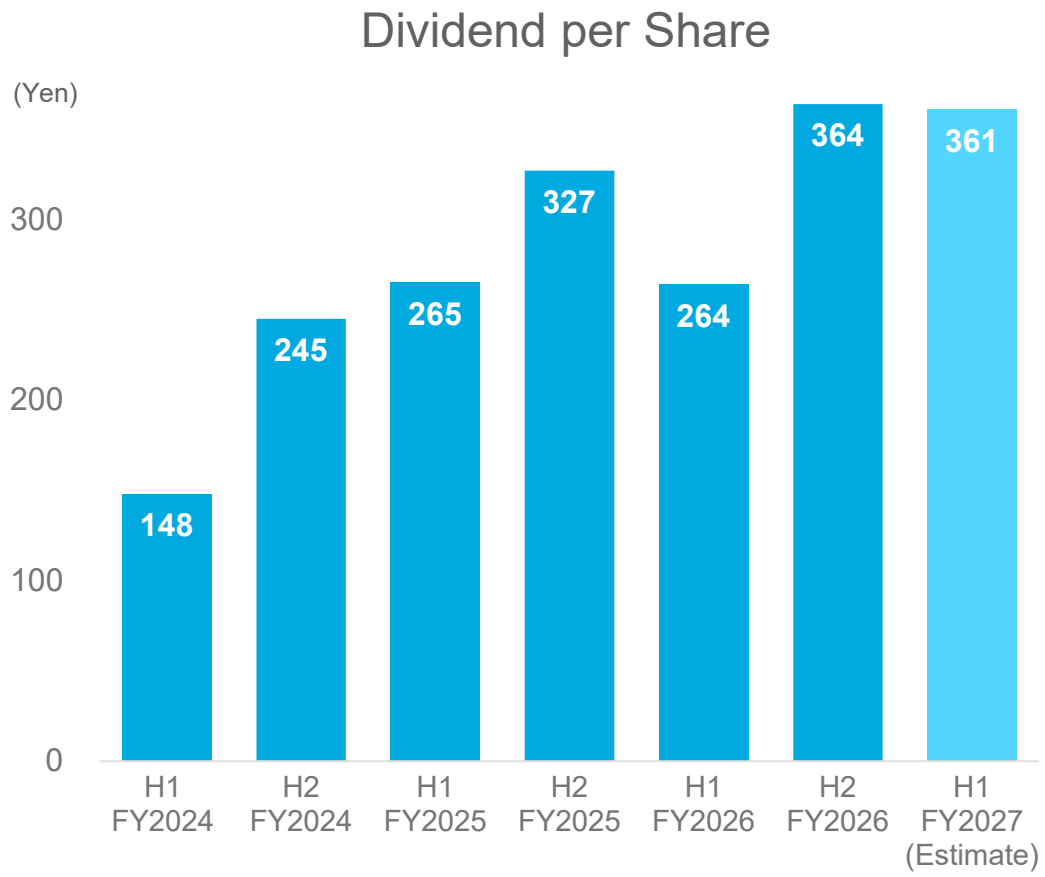
Kurokawa-gun, Miyagi Prefecture
Completion scheduled for summer 2027





Continue strengthening competitiveness with a focus on R&D investment
Leveraging this solid infrastructure to steadily capture future gains

Dividend Forecast



TEL shareholder return policy

Dividend payout ratio: 50%

Annual DPS of not less than 50 yen

We will review our dividend policy if the company does not generate net income for two consecutive fiscal years

We will flexibly consider share buybacks

Dividend per share for H1 FY2027 (interim dividend) is expected to be 361 yen

5. Sustainability

Sustainability Initiatives

The 14 material issues (key issues) that require prioritized attention and actions are identified to implement sustainability initiatives through our business operation and contribute to the resolution of industrial and social issues.

SUSTAINABLE DEVELOPMENT GOALS

- Respect for Human Rights
- Climate Change and Net Zero
- Product Energy Efficiency
- Best Products with Innovative Technology
- Best Technical Service with High Added Value
- Customer Satisfaction and Trust
- Supplier Relationship

- Employee Engagement
- Safety First Operation
- Quality Management
- Compliance
- Ethical Behavior
- Information Security
- Enterprise Risk Management

Risk Management System and Implementation

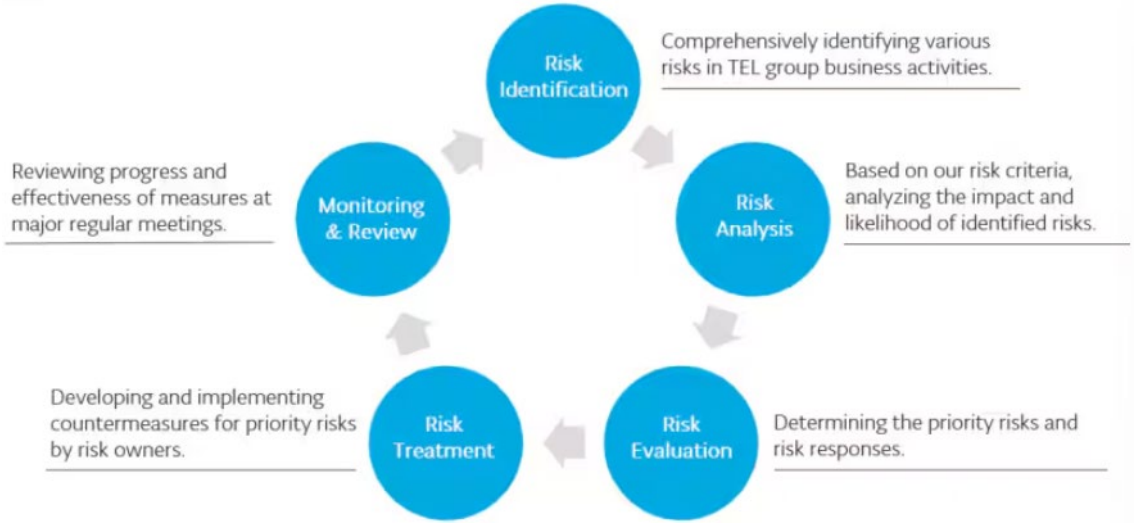
System

- Established the Corporate Project & Risk Management Office (CPRO) in the Corporate Strategy Division at the head office to promote more effective risk management in the Group as a whole, while actively working toward advancing enterprise risk management[*1]
- The Group's risk management activities are regularly reported to the Board of Directors, which oversees various initiatives implemented by each risk owner
- To raise awareness of risk management and provide basic knowledge, we regularly conduct web-based training on risk management for our Group employees and training programs for managers.

Implementation of the PDCA cycle

To address major risks[*2] in our business activities, we have implemented the following PDCA cycle throughout the entire Group.

By reviewing and revising the major risks, we push risk management initiatives forward for each identified risk even further.



[*1] Enterprise risk management: Group-wide systems and processes related to risk management activities
[*2] Major risks: For details on identifying risk items and each risk item, please refer to the "Risk Management" section of our website https://www.tel.com/sustainability/management-foundation/risk-management/index.html

Environmental Approaches

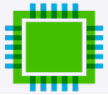
Scope 1, 2 & 3 Achieve Net Zero by Fiscal 2041

Scope 1, 2 : CO2 emissions from energy use such as electricity in business activities
Scope 3 : CO2 emissions from the use and disposal of sold equipment, material purchases and logistics, etc.

E-COMPASS

Environmental Co-Creation by Material, Process and Subcomponent Solutions

Semiconductors	Products	Business activities
Pursuing higher device performance and lower power consumption	Achieving both high process performance and environmental performance of the equipment	Reduction of CO_2 emissions in all business activities



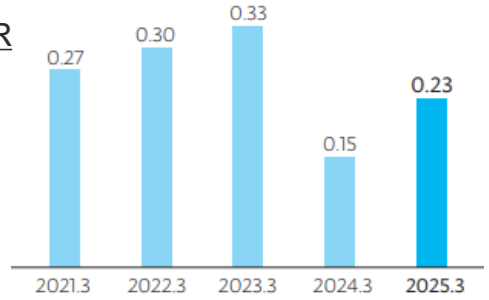
Promoting technological innovation of semiconductors
and reducing environmental impact throughout the supply chain

Safety & Quality

Safety

Under the “Safety First” slogan, everyone at Tokyo Electron, from top management to field representative, is actively and continuously improving safety and promoting health, giving safety and health the highest priority when carrying out different types of operations such as development, manufacturing, transportation, installation and maintenance.

TCIR



In fiscal 2025, through enhancement of safety training and continuous efforts toward safe design of equipment, we achieved a TCIR of 0.23, an industry-leading position in the semiconductor production equipment industry.

Safety Goals
(by FY2027)
TCIR ≤ 0.1

TCIR: Total Case Incident Rate（Number of workplace injuries per 200,000 work hours）

Incident Prevention Initiatives

- Experiential training and VR (Virtual Reality)
- Comprehensive safety inspections
- Feedback on safety specifications
- Safety activities for suppliers

Quality

The Tokyo Electron Group seeks to provide the highest-quality products and services. This pursuit of quality begins at development and continues through all manufacturing, installation, maintenance, sales and support processes. Our employees must work to deliver quality products, quality services and innovative solutions that enable customer success.

Quality Policy

1 Quality Focus

2 Quality Design and Assurance

3 Quality and Trust

4 Continual Improvement

5 Stakeholder Communication

TEL Values as codes of conduct

Engagement

Career

Corporate growth is enabled by people, and our employees both create and fulfill company values

Retention

Work-life balance

Diversity, Equity and Inclusion

3Gs

Global・Generation・Gender

Human Rights Initiatives

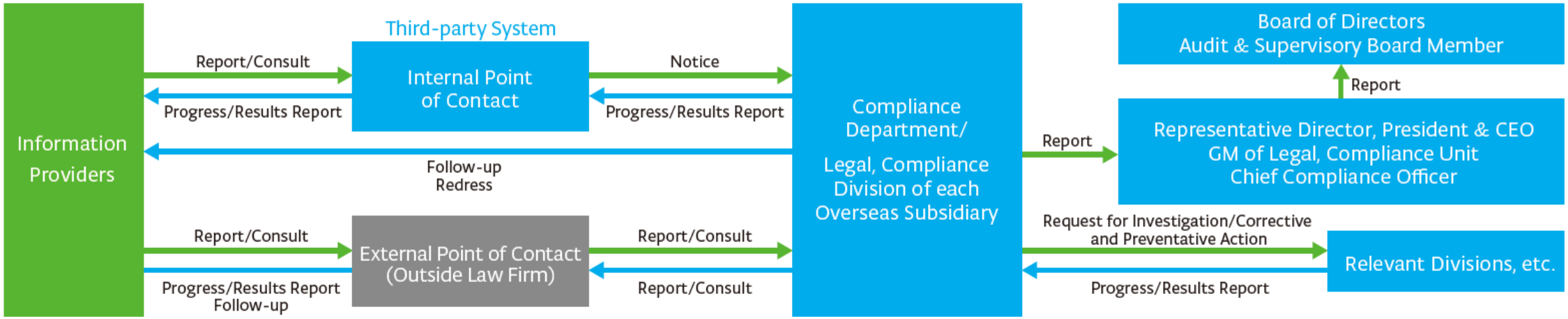
The five focus areas in human rights (Tokyo Electron Group Human Rights Policy)

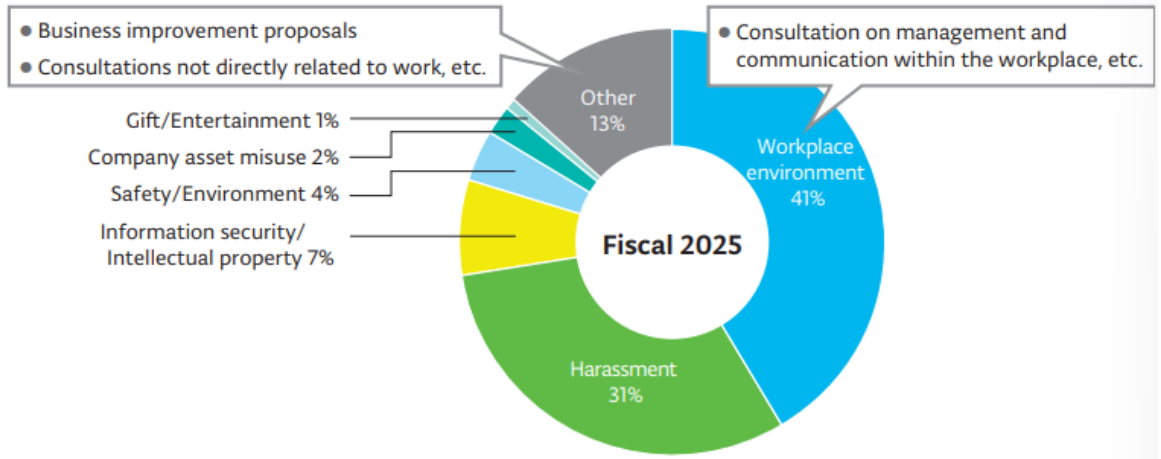
- Freedom, equality & non-discrimination
- Freely chosen employment
- Product safety & workplace health and safety
- Freedom of association
- Appropriate working hours & breaks/ holidays/vacations

Human Rights Due Diligence

Commitment	Assessment	Remediation	Report
Commitment to respecting human rights	**Assessment of human rights risks in business and supply chains**	**Actions to reduce risks based on assessment results**	**Regular disclosure of information**
▪ Revision of Tokyo Electron Group Human Rights Policy ▪ Awareness and implementation ▪ Education	▪ Human rights risk assessment ▪ Human rights impact assessment	▪ Feedback sheet publication ▪ Program development and review according to issues	▪ Publication of the Integrated Report ▪ Postings on the website

Internal Reporting System



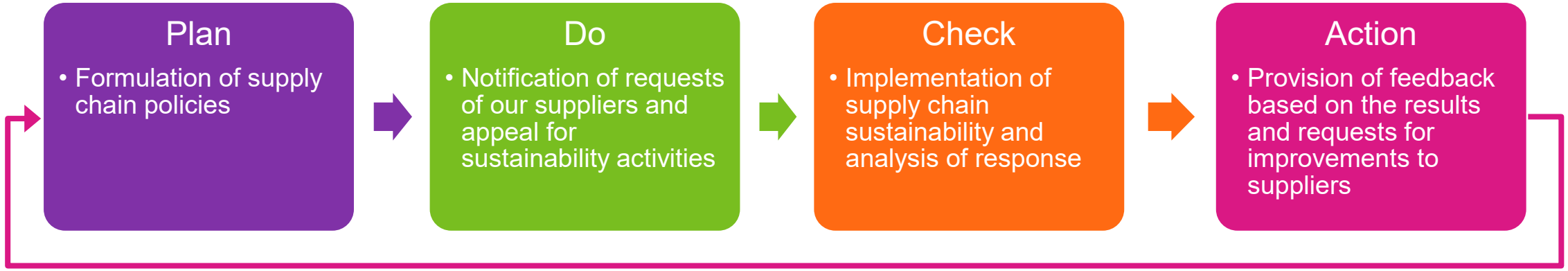


* Percentages may not add up to 100 because they have been rounded.

Respect for human rights with a strong sense of integrity

Supply Chain Management

Supply chain sustainability process

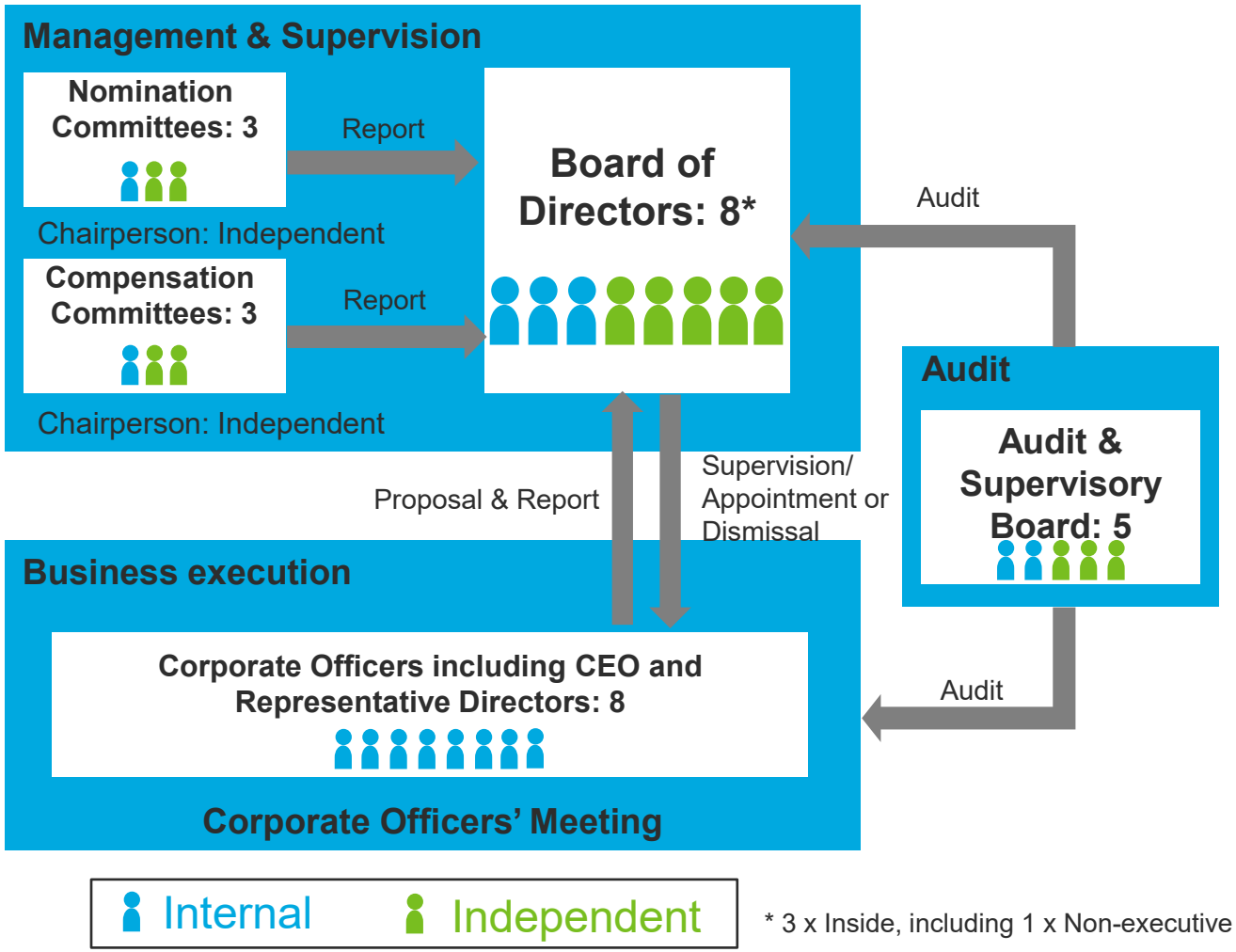


- Annual Sustainability Assessment
  - Assessment base on RBA code of conduct
  - Corrective Action Plans
- RBA Audit
  - At primary manufacturing sites
  - Continuous improvement in respective operations

Pursuit of sustainability conscious operations throughout the supply chain

Corporate Governance Framework (Audit & Supervisory Board System)

<Framework (Excerpt)>



* 3 x Inside, including 1 x Non-executive

The era of ultra VUCA

↓

Sharp growth of the semiconductor market

↓

Need to improve the **quality** and **speed** of decision making in both "**Management & Supervision**" and "**Business execution**"

↓

Strengthen and optimize 3 functions:
1) In-depth discussion of mid- to long-term growth strategies
2) Supervision of business execution
3) Decision-making on business execution

Accelerate "proactive management"

Growth of short-/mid-/long-term profits

Increase corporate value continually

Evaluation of the Effectiveness of the Board of Directors

Internal and external experts analyze and evaluate the effectiveness of the Board of Directors

Global Initiatives

Sustainable Development Goals (SDGs)

Clarify initiatives through business by materiality and deploy company-wide

Tokyo Electron supports the SDGs

Participation in International Initiatives

Signed the UN Global Compact, joined the Responsible Business Alliance (RBA), endorsed the Task Force on Climate-related Financial Disclosures (TCFD)

WE SUPPORT UN GLOBAL COMPACT

Responsible Business Alliance
Affiliate Member

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

External Evaluation on our ESG Initiatives

Highly rated by evaluation organizations around the world

Dow Jones Best-in-Class Asia Pacific Index

FTSE4Good

MSCI Selection Indexes Constituents 2025

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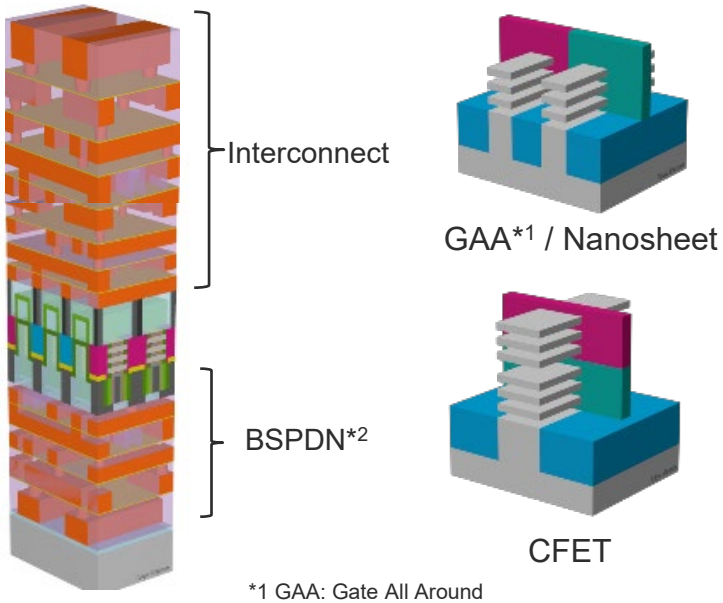
6. Diversifying Semiconductor Technology

~ Technology Roadmap~

Semiconductor Devices: Direction of Development

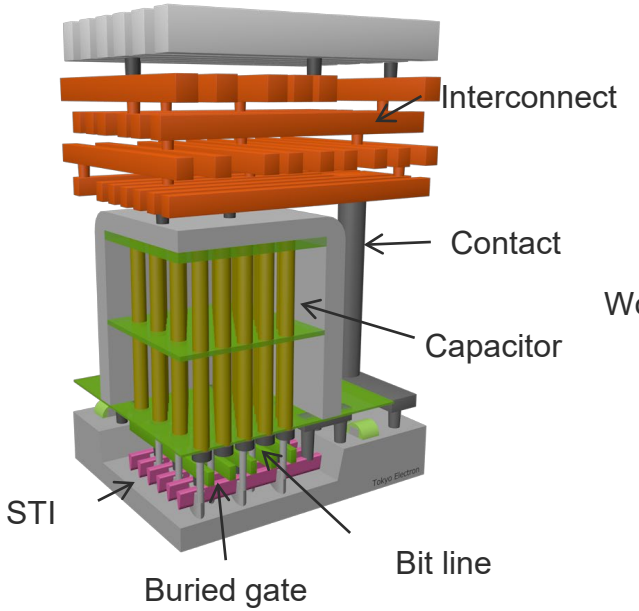
Logic



*1 GAA: Gate All Around
*2 BSPDN: Backside Power Delivery Network
*3 CD: Critical Dimension

Through miniaturization with structural changes
- Lowered cost per transistor
- Lower power consumption
- Higher speed

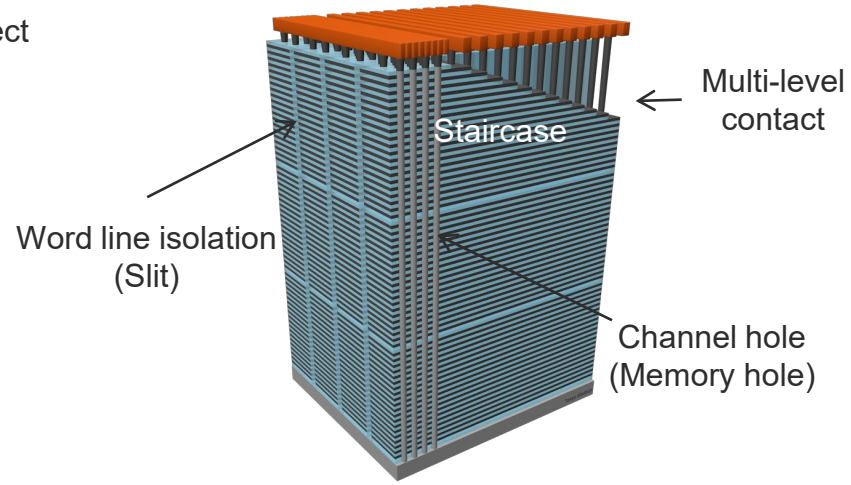
DRAM



Through miniaturization
- Lower cost per bit
- Lower power consumption
- Higher speed

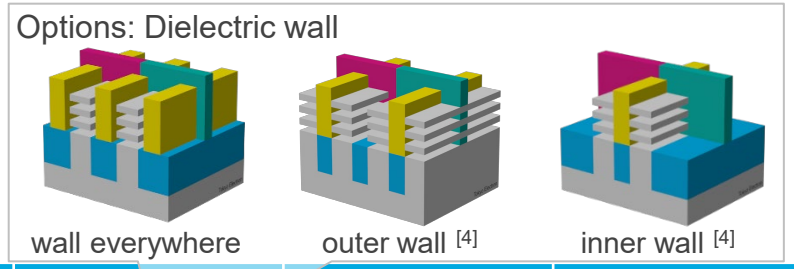
Through new structures
- Lower cost per bit

NAND



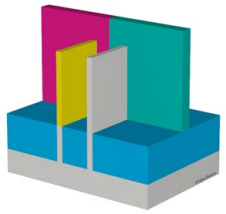
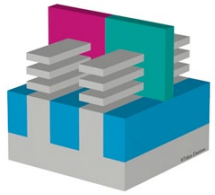
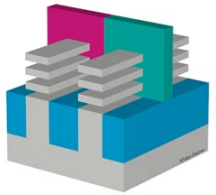
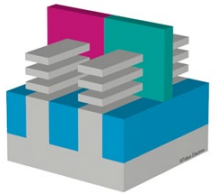
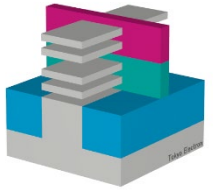
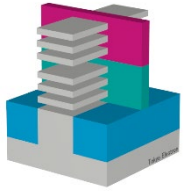
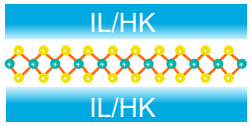
Through high stacking
- Lower cost per bit

Logic Technology Roadmap (Generic)



[1] Chih-Hao Chang (TSMC) et al., IEDM 2022
[2] Shien-Yang Wu (TSMC) et al., IEDM 2022
[3] Sandy Liao (TSMC) et al., IEDM 2024
[4] Mertens and Horiguchi (imec), EDTM 2024

Source: TEL estimates

Year of HVM (20k/month)	2022~24	2025~2026	2027~28	2030~31	2033~34	2036~37	2039 and beyond	
Node	3nm	2nm/18A/16A	14A	10A	7A	5A	3A	2A
Transistor	2~1 Fin 	GAA NS 	GAA NS scaling 	GAA NS extension 	CFET 	2nd Gen. CFET 	3rd Gen. CFET 	2D material stack  2D material: TMDC MoS_2, WS_2, $MoSe_2$, WSe_2 etc.
Poly Pitch [nm]	48~45 [1]		45~42		48 [3] ~42	45~39		36
Min. Metal Pitch [nm]	23 [2]		20	18	17	16	14	12
Interconnect booster	Cu Barrier/Seed CIP Backside PDN (HPC)			Cu CIP or Ru subtractive	Ru subtractive AR>3, Airgap	New alloy AR>5, Airgap, BEOL Transistor (OS*5, 2D material)		
EUV Patterning Technology	EUV MP*1, SE*2			EUV MP, SE High-NA SE		High-NA MP, SE EUV MP, SE		
Resist	CAR*3			CAR (+MOR*4)	CAR+MOR			

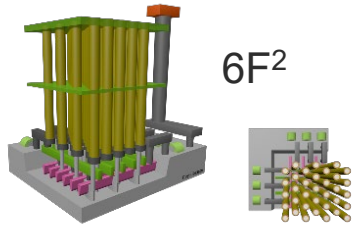
*1 MP: Multi-Patterning, *2 SE: Single-Exposure, *3 CAR: Chemically Amplified Resist, *4 MOR: Metal Oxide Resist, *5 OS: Oxide Semiconductor

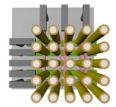
Logic scaling will continue by changing transistor structure and material evolution

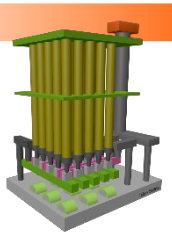
DRAM Technology Roadmap (Generic)

Source: TEL estimates

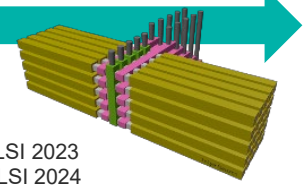
Year of HVM (20k/month)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Node	1c		1d		0a		0b		0c		0d	0e
Cell layout / Structure	$6F^2$			$4F^2$ VCT* [1-3]						3D※		
F [nm]	12~11		10	($6F^2$)	9		8			(3D ~1xxL)		(3D >1yyL)
				(VCT)	15		13.5		12			
Capacitor pitch [nm]	36~33		30	($6F^2$)	27		24					
				(VCT)	30		27		24			
Capacitor aspect ratio	40		>40		>40		>40		>40			
Word line	TiN				Low R metal							
Peri. CMOS	Gate First HKMG					Bonding			Gate last Planer MOS or FinFET			
HBM	HBM4		HBM4E		HBM5		HBM5E		HBM6	HBM6E		HBM7



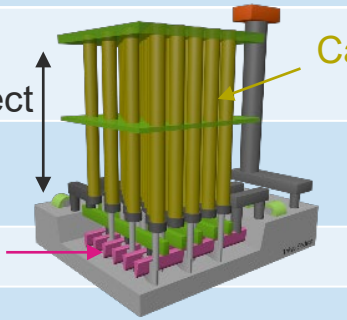


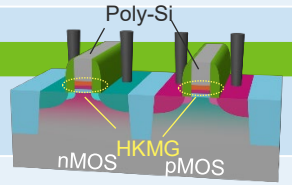


* Vertical Channel Transistor
[1] Seokhan Park (Samsung) et al., IEDM 2023
[2] Daewon Ha (Samsung) et al., IEDM 2023
[3] Joodong Park(SKhynix) et al., VLSI 2025



※ 3D DRAM
[1] Daewon Ha (Samsung) et al., VLSI 2023
[3] Joodong Park(SKhynix) et al., VLSI 2024

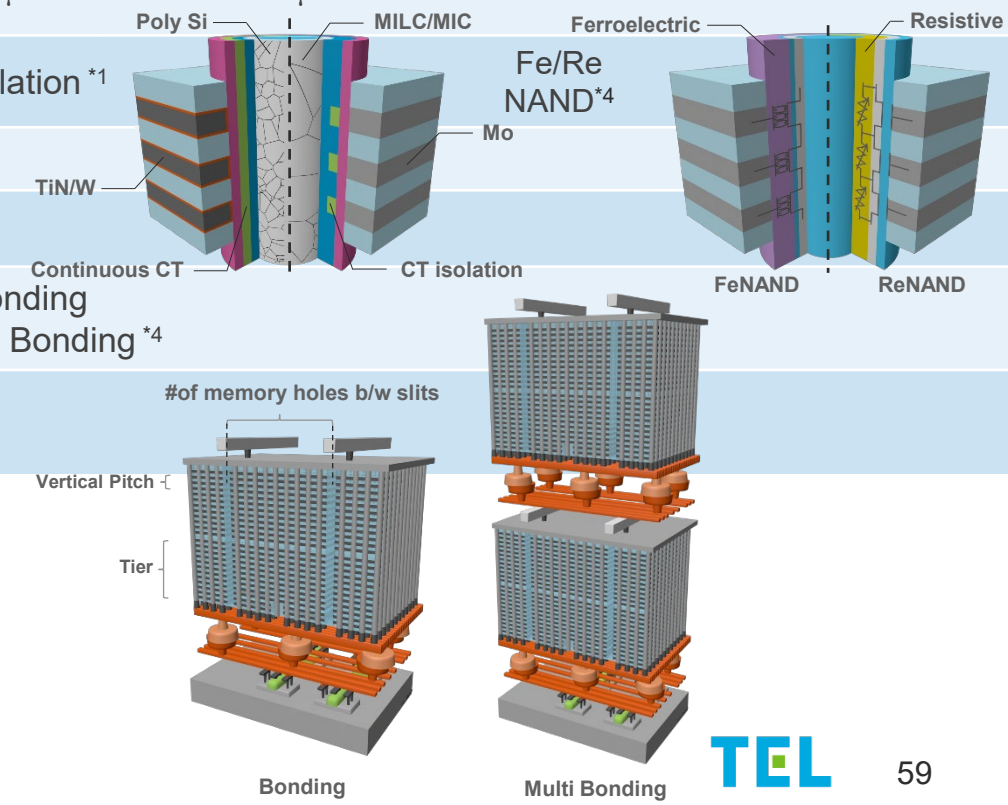




NAND Technology Roadmap (Generic)

Source: TEL estimates

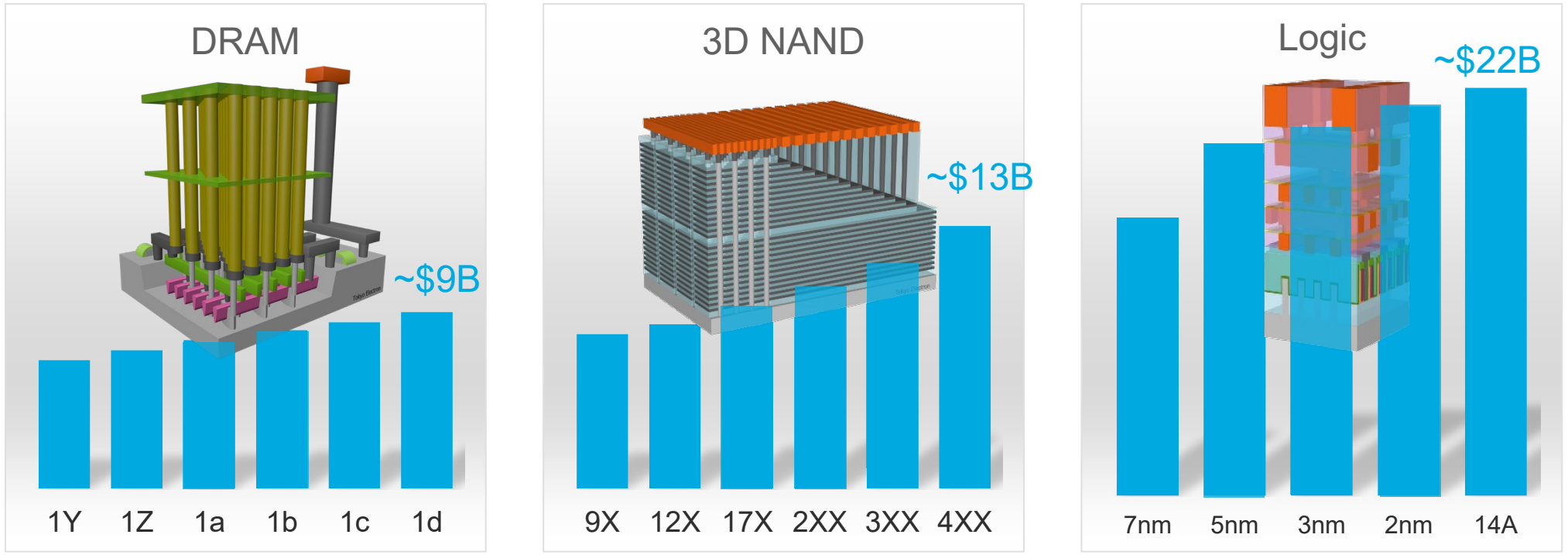
Year of HVM (20k/month)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Stack (~1.3x/1.5years)	3xxL	4xxL		5xxL	6xxL		8xxL	*1xxxL		*1yyyL	*1zzzL	
Tier	2 or 3	3		3 or 4	3 or 4		4 - 6					
Min vertical pitch	40 nm	39 nm		38 nm	37 nm		36 nm			~ 30 nm		
Max memory height	14 μm	19 μm		25 μm			40 μm	> 60 μm				
Charge trap (CT)	Continuous CT						CT isolation *1					
Channel	Poly Si grain CIP				MILC *2/MIC *3							
WL metal	W or Mo				Mo							
Layout/Structure	Under array or Bonding	Bonding					Bonding or Multi Bonding *4					
Peri. CMOS	Poly Si Gate			HKMG								



* Trend Extrapolation
[1] 2021 IRPS Memory's journey towards the future information and communications technology (ICT) world - SK hynix
[2] Metal induced lateral crystallization
[3] Metal induced crystallization
[4] 2023 IEDM Fundamental Issues in VNAND Integration Toward More Than 1K Layers - Samsung

Raising Added-value in SPE

WFE investment (100k WSPM*, Greenfield/TEL estimates)



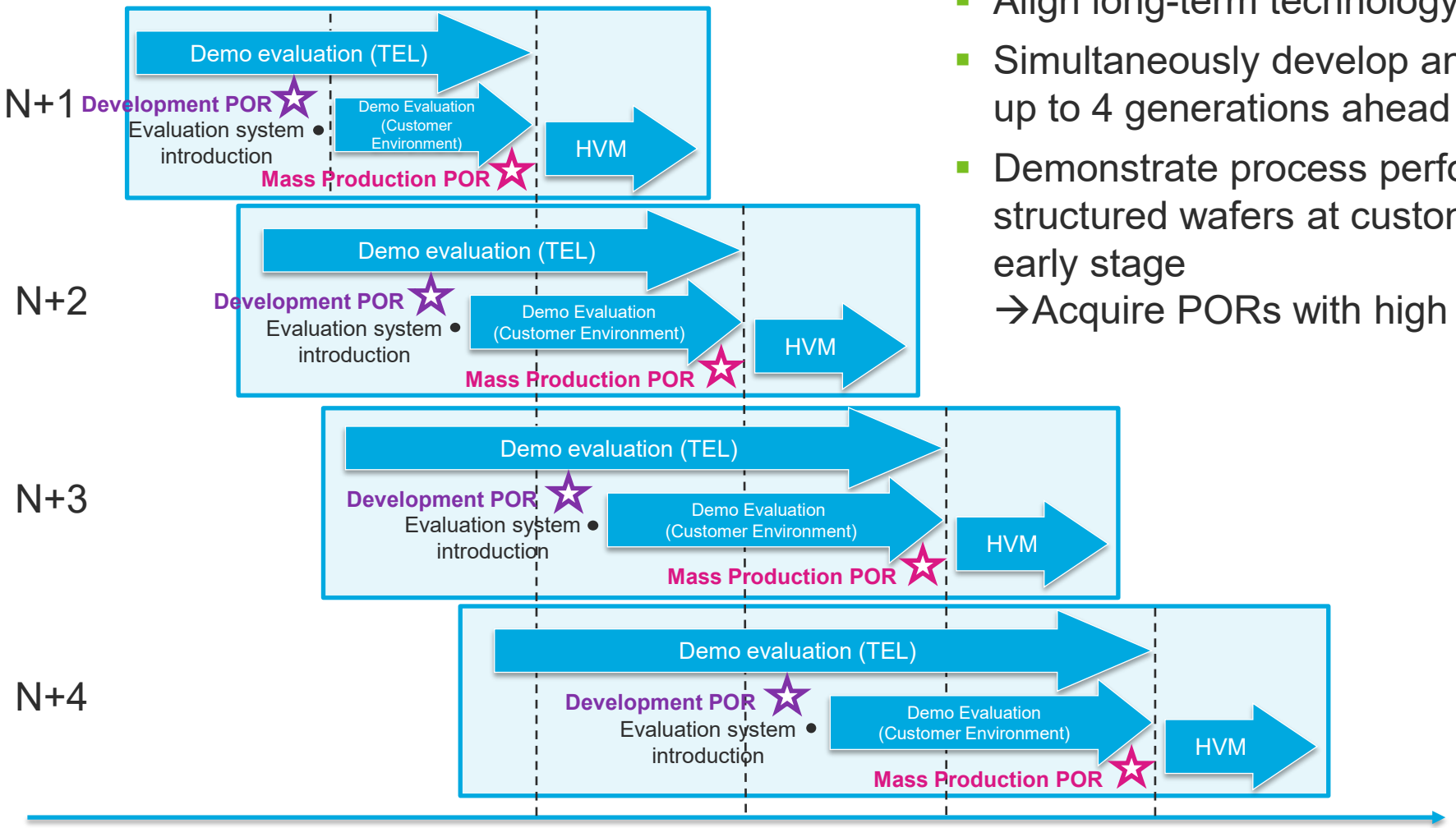
Expanding business opportunities for SPE manufacturers on arrival of new applications and rising level of technological difficulty

* WSPM: Wafer starts per month

7. SPE New Equipment Initiatives

Development Efforts

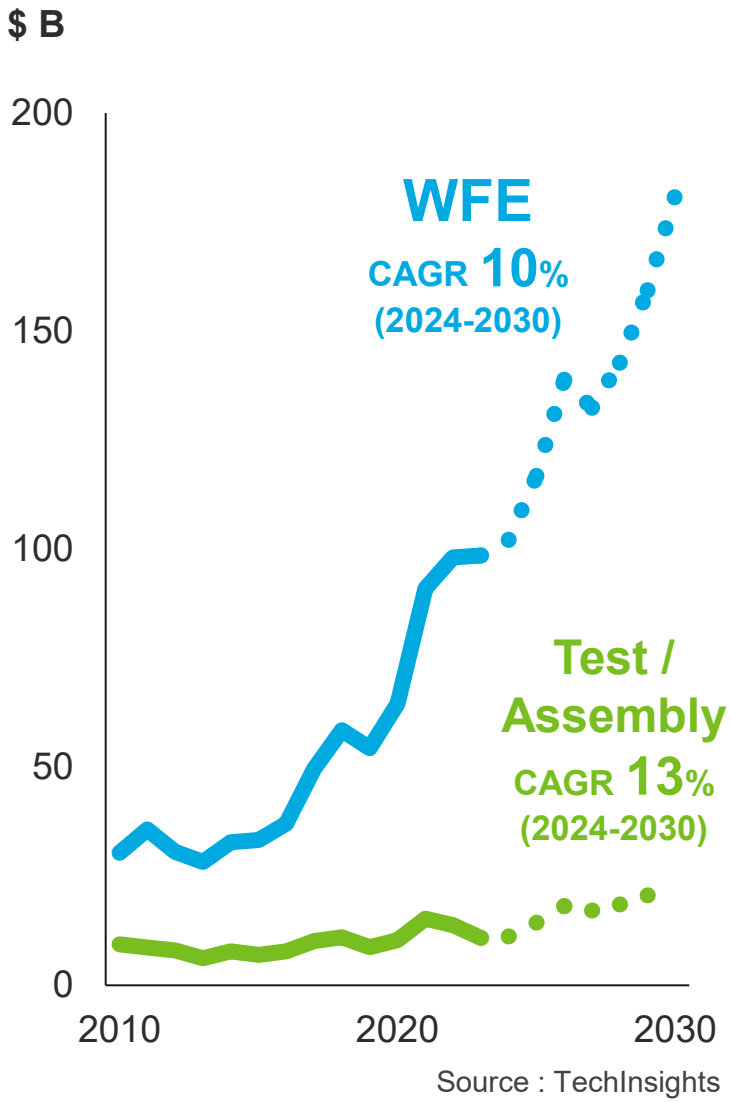
Simultaneous 4-Generation Developments



- Align long-term technology roadmap with customers
- Simultaneously develop and evaluate technologies up to 4 generations ahead
- Demonstrate process performance on customer structured wafers at customer's environments at early stage
  →Acquire PORs with high value-added products

Our Growth Opportunities in the Frontend Market

Presented at IR Day in February 2025



Source : TechInsights

- CAGR driven by AI-related devices to continue to drive high growth of WFE's CAGR
- Leveraging TEL's strengths to address high-growth market areas:
  - Leading-edge logic: The etch market is expected to grow by 2.7 times, the deposition market by 2.5 times*
  - DRAM: The etch market is expected to grow by 2.3 times, exceeding the CAGR of WFE*
- By introducing new products focused on the key technological inflection points, we aim to further expand our areas of entry

* TEL Estimates

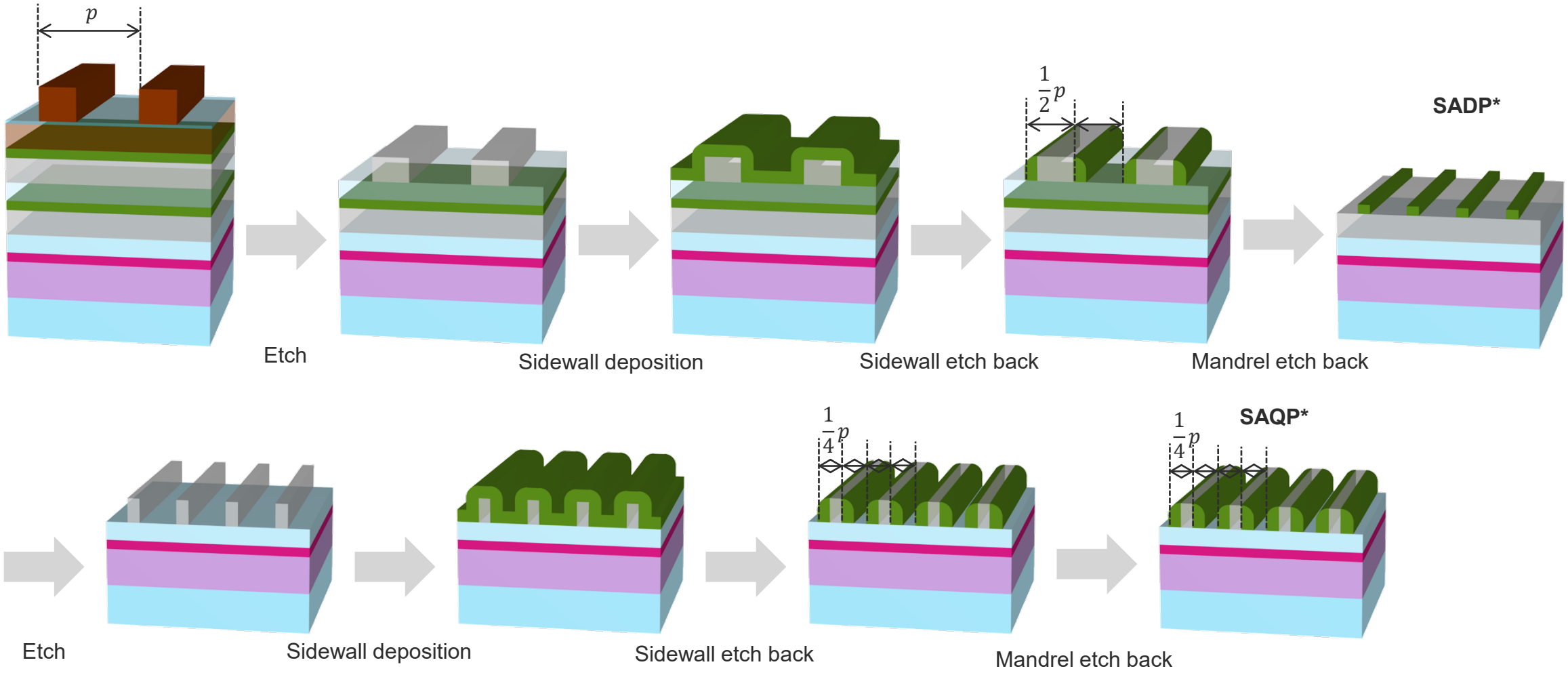
Growth opportunities at Technological Inflection Points in Frontend Process

- Logic: GAA*1, BSPDN*2, CFET
  - Adaption of High-NA lithography, combined with multi-patterning and MOR technologies, presents opportunities for new technology Acrevia™
  - Adoption of multi-patterning to increase demand for deposition, etch, and cleaning processes.
  - GAA and CFET transistors to drive an increase in gas chemical etch processes
  - New materials like ruthenium and structural innovations such as air gaps to generate fresh opportunities
- DRAM: HBM, VCT*3, 3D DRAM
  - Adoption of multi-patterning driving increased demands in deposition and etch
  - Capacitor formation remains essential, driving ongoing demand for advanced etch and deposition
  - 3D DRAM leading to increased processes in deposition, etch and gas chemical etch
- NAND: Beyond 4xx
  - Increased layer counts leading to higher investments in deposition and etching processes
  - High aspect ratio etch to become increasingly important
  - New materials and low-resistance channel silicon to be utilized

*1 GAA: Gate All Around
*2 Backside PDN: Backside Power Delivery Network
*3 VCT: Vertical Channel Transistor

7-1. Frontend, Patterning Technologies

Self-aligned Multiple Patterning to Supplement Lithography

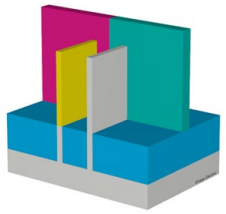
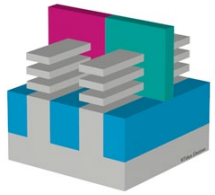
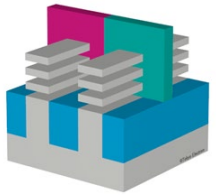
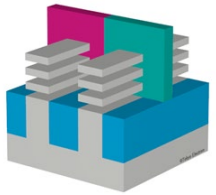
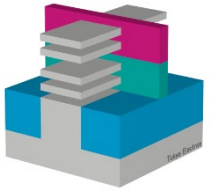
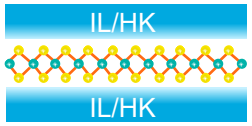


SADP: Self-aligned double patterning
SAQP: Self-aligned quadruple patterning

EUV Lithography Technology Roadmap in Logic

[1] Chih-Hao Chang (TSMC) et al., IEDM 2022
[2] Shien-Yang Wu (TSMC) et al., IEDM 2022
[3] Sandy Liao (TSMC) et al., IEDM 2024
[4] Mertens and Horiguchi (imec), EDTM 2024

Source: TEL estimates

Year of HVM (20k/month)	2022~24	2025~2026	2027~28	2030~31	2033~34	2036~37	2039 and beyond	
Node	**3nm**	**2nm/18A/16A**	**14A**	**10A**	**7A**	**5A**	**3A**	**2A**
Transistor	2~1 Fin 	GAA NS 	GAA NS scaling 	GAA NS extension 	CFET 	2nd Gen. CFET 	3rd Gen. CFET 	2D material stack  2D material: TMDC MoS_2, WS_2, $MoSe_2$, WSe_2 etc.
Poly Pitch [nm]	48~45 [1]		45~42		48 [3] ~42	45~39		36
Min. Metal Pitch [nm]	23 [2]		20	18	17	16	14	12
EUV Patterning Technology	EUV MP*1, SE*2			EUV MP, SE **High-NA SE**		**High-NA MP, SE** EUV MP, SE		
Resist	CAR*3			CAR (+**MOR***4)		CAR+**MOR**		

*1 MP: Multi-Patterning, *2 SE: Single-Exposure, *3 CAR: Chemically Amplified Resist, *4 MOR: Metal Oxide Resist

Enhancing versatility of coater/developer to respond to future EUV lithography technologies including MOR and high-NA EUV

Coater/Developer: CLEAN TRACK™ LITHIUS Pro™ Z for EUV

LITHIUS Pro™ Z released in 2012
(＞3000 systems shipped)

New features to support EUV CAR*1/MOR*2
to be released as on an ongoing basis

High Reliability
High share in EUV market

High Productivity
Maximizes output of EUV lithography tools, and reduces chemical consumption

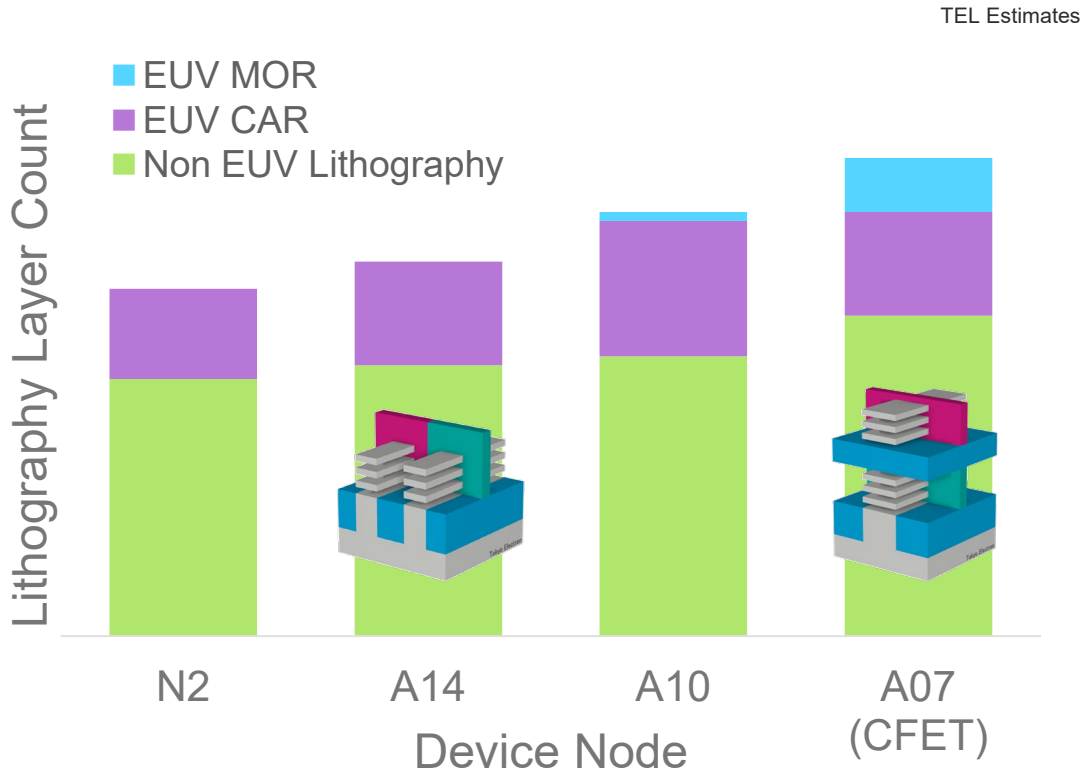
High Versatility
Supports CAR, MOR and underlayers

*1 CAR: Chemically Amplified Resist
*2 MOR: Metal Oxide Resist

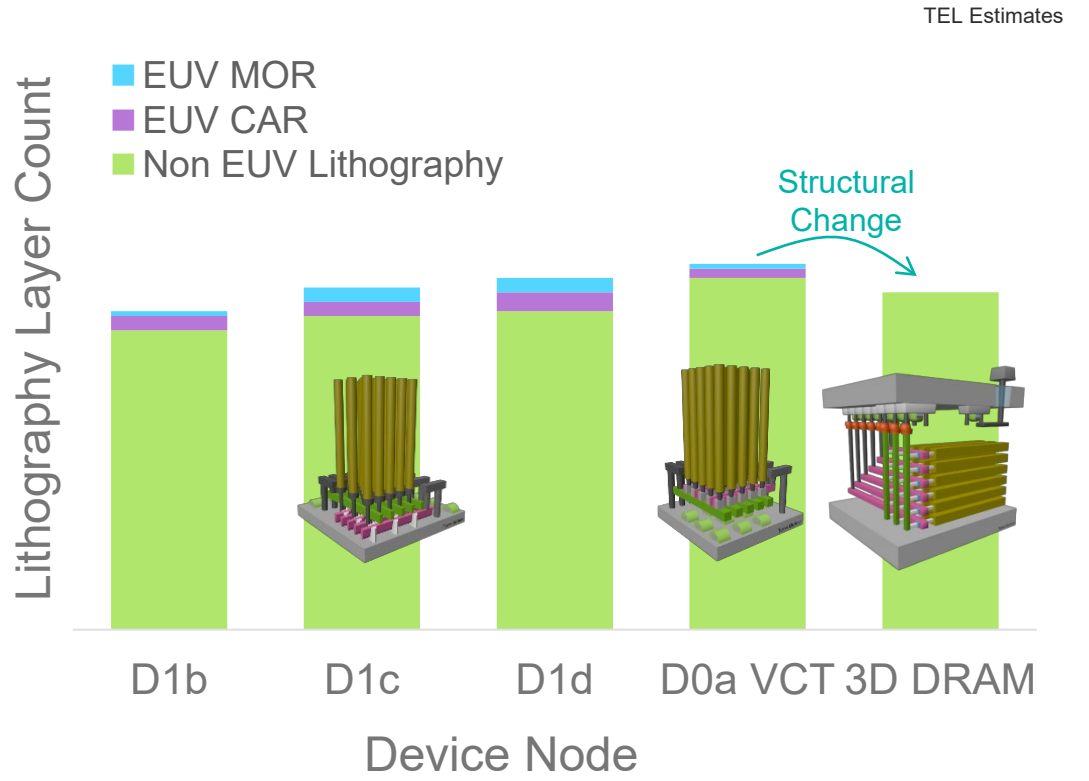
LITHIUS Pro™ Z platform with its proven mass production for various litho tools, ensures high reliability and productivity for EUV litho, along with high versatility for next-generation EUV

Outlook on Lithography Layer Count

Logic

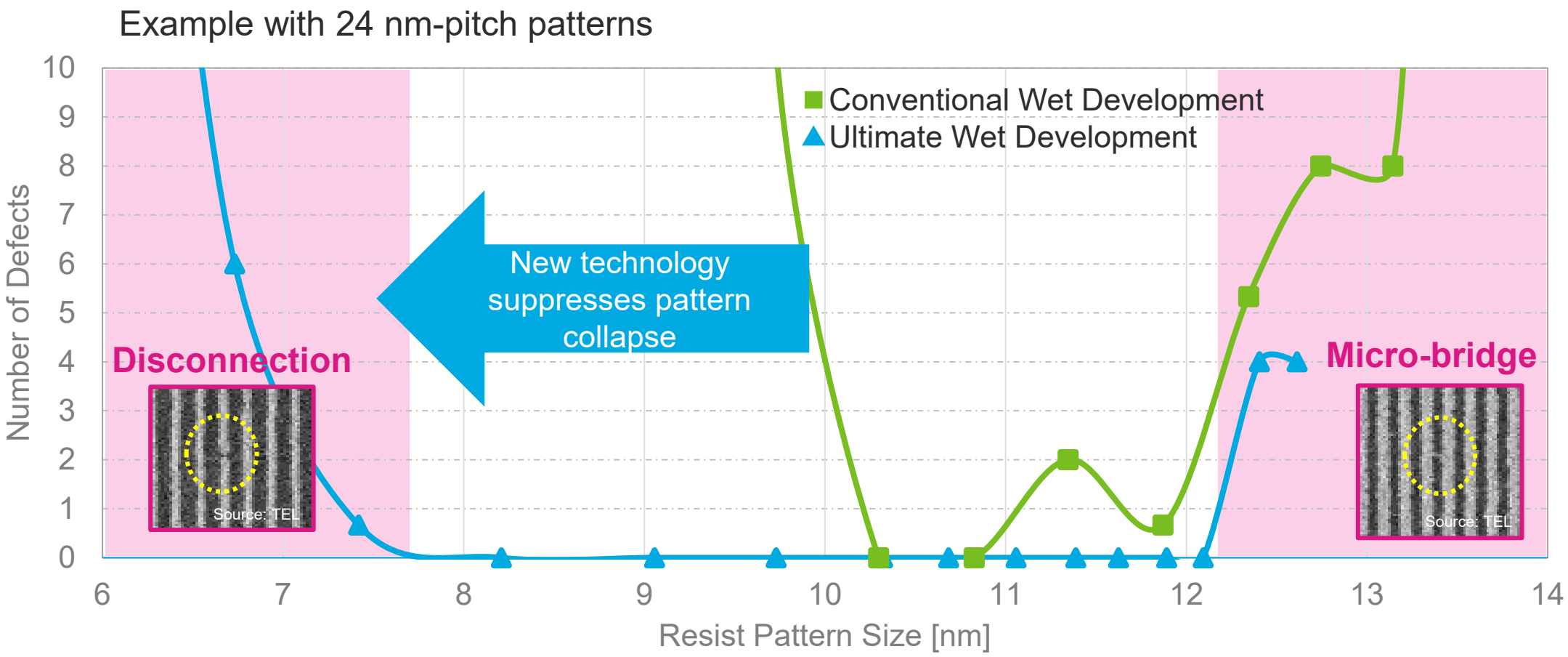


DRAM



MOR expected for Logic 10A/ DRAM D1b, development ongoing for MOR

Example of MOR Process: The Ultimate Wet Development



The Ultimate Development technology enables the suppression of pattern collapse

Example of MOR Solution: The Ultimate Wet Development

*1 Based on internal information and development targets
*2 Based on results of developing 24 nm-pitch lines

	Ultimate Wet Development Technology	Conventional Wet Technology	Alternative Technology
Base Technology	Coater/Developer	Coater/Developer	Etch
Process Ambient	Atmospheric	Atmospheric	Vacuum
Reaction	Chemicals	Chemicals	Corrosive Gas
Throughput*1	4x	4x	1x
Chemical Consumption*1	50% (vs. conventional)	100 %	N/A (uses gas) exhaust processed in combustion abatement post process
Anti-Pattern Collapse*1 Performance	< 8 nm*2	> 10 nm*2	< 8 nm*1
Footprint*1	In-Line	In-line	Additional Footprint

Evaluation of Ultimate Wet Development ongoing with key customers, with emphasis on productivity (throughput, footprint, maintainability, utilize existing facilities)

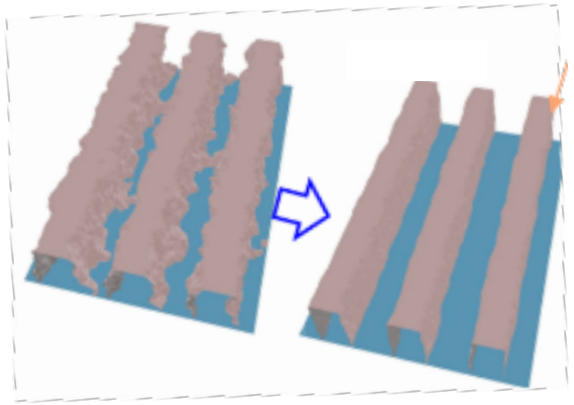
Acrevia™

TEL's Original Gas Cluster Beam (GCB) System

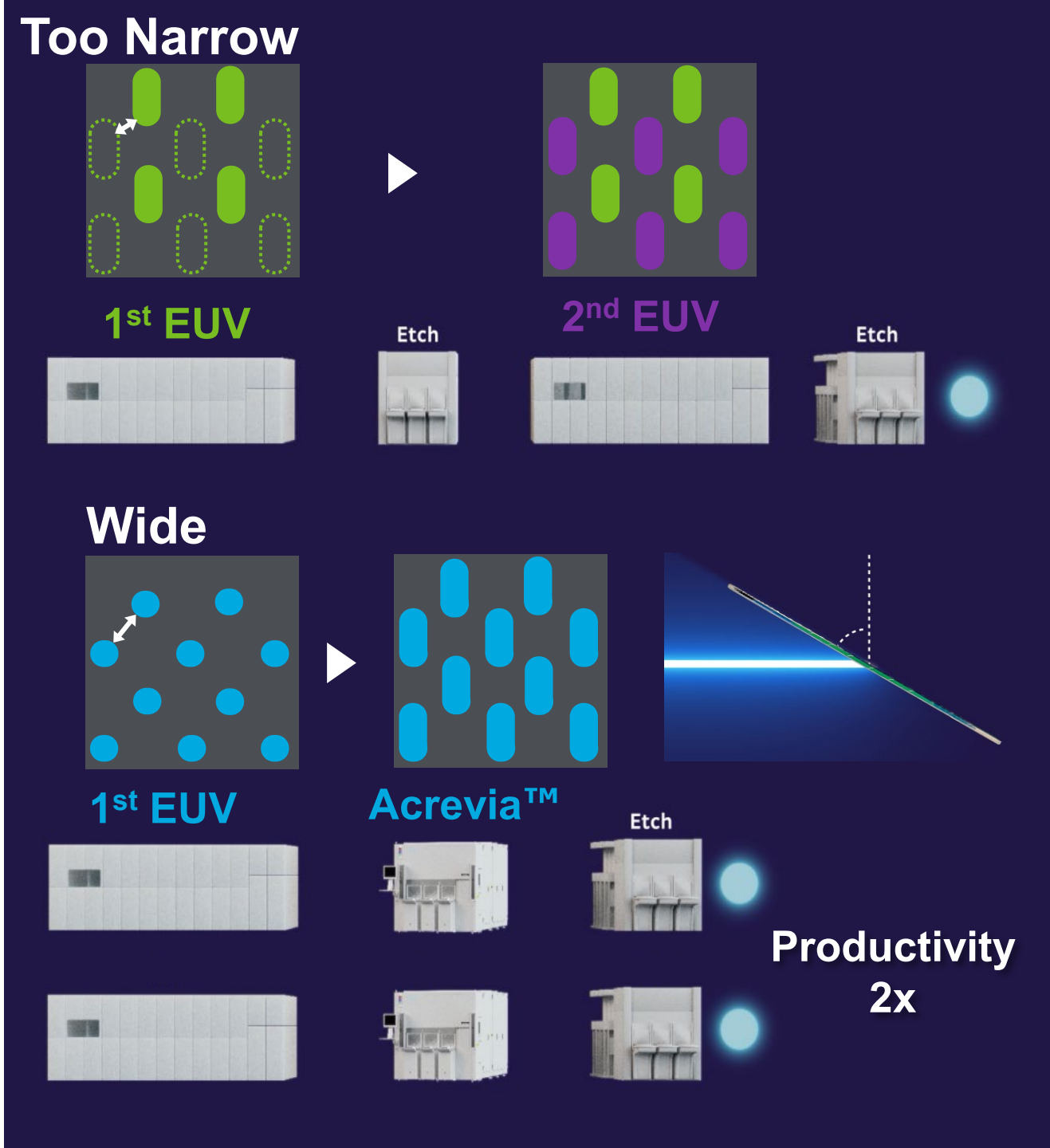
- Beam Angle is freely Adjustable
- LSP (Location Specific Processing) Wafer Scan
  → Enable 3 Dimetional Etching

✓ Drastically Improve EUV productivity by EUV step reduction with fine patterning

✓ Realize yield by removing defect between pattern and improving LER/LWR*



* LER/LWR: Line Edge Roughness / Line Width Roughness

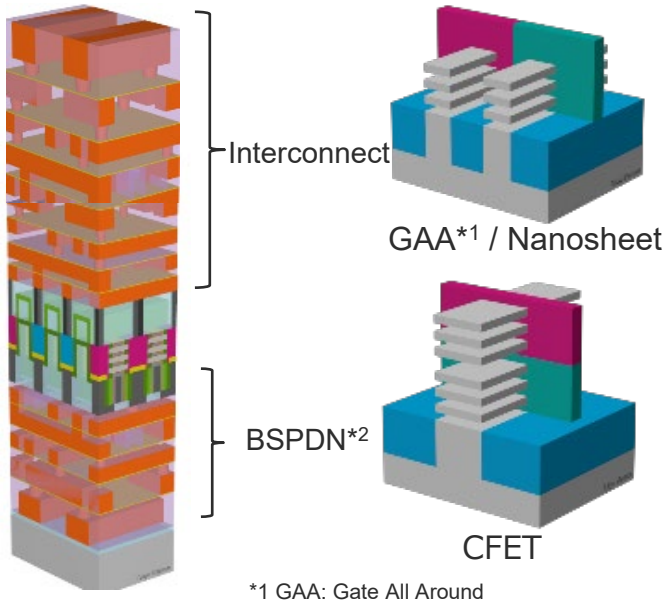


7-2. Frontend, Unit Process

7-2-1. Etch System

Requirements and Various Etch Technologies

Logic



*1 GAA: Gate All Around
*2 BSPDN: Backside Power Delivery Network
*3 CD: Critical Dimension

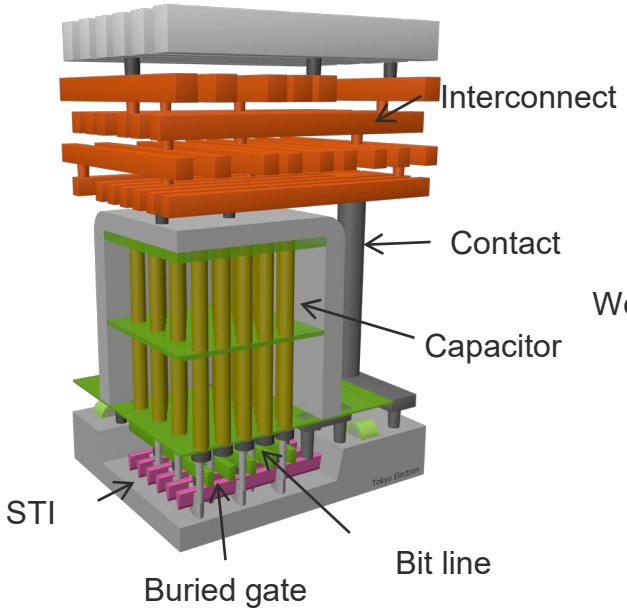
Device trend

Technology Required

Scaling/new structure

High selectivity through precise ion control
Low-damage process
Profile control (vertical, etc.)

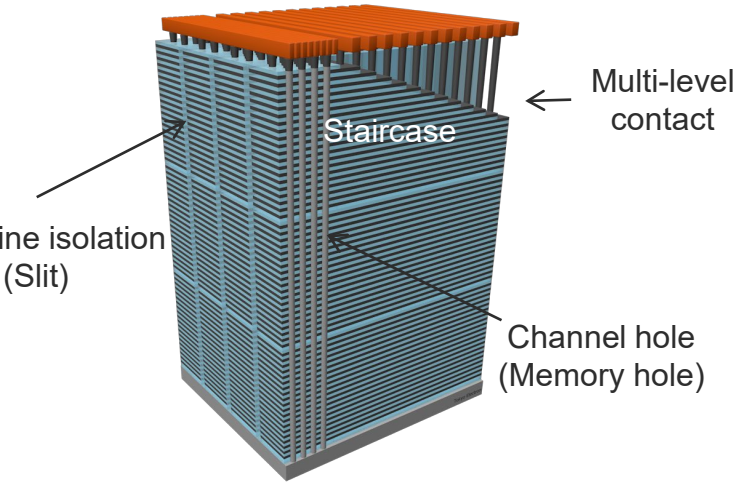
DRAM



Scaling/new structure

Small CD*3, high aspect ratio capacitor etch
Scaled mask etch (EUV, multi patterning)
HBM (increase in interconnect, etc.)

3D NAND

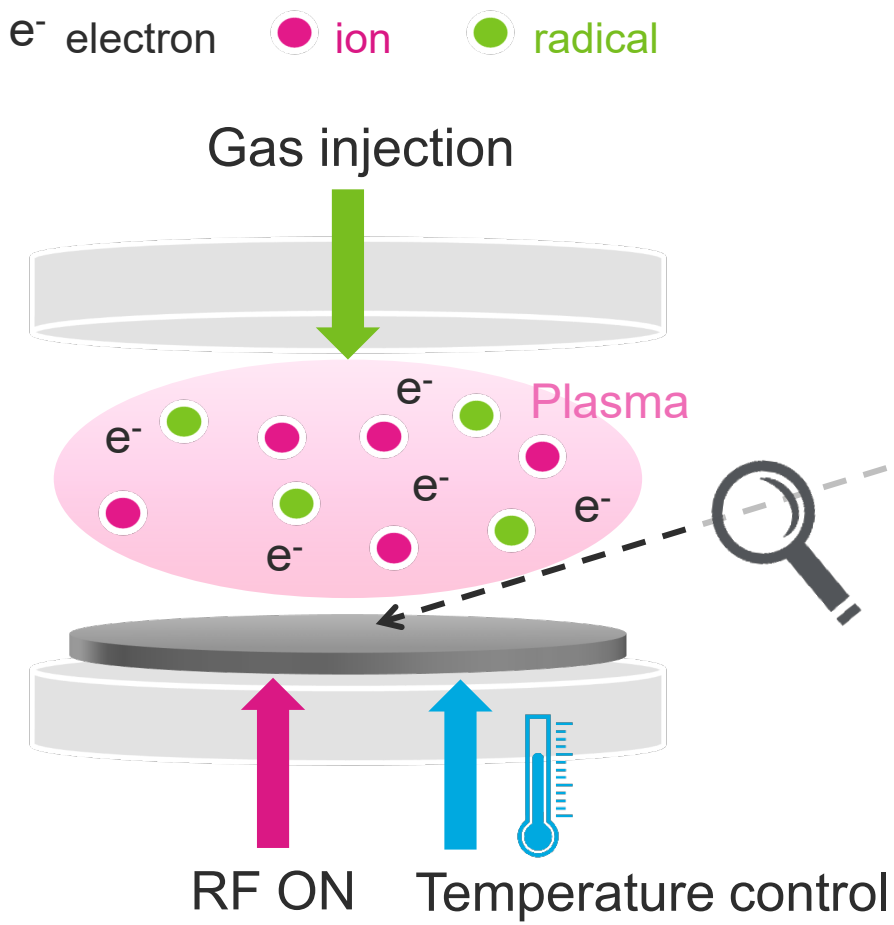


Stacking

Fast and vertical high aspect ratio etch
Depth monitoring and process control
Within wafer uniformity control

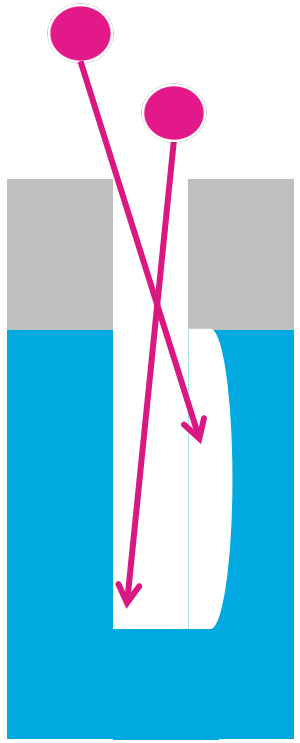
Etch technology with precise controllability is required for further evolution of devices

Overview of Etching and Key Parameters



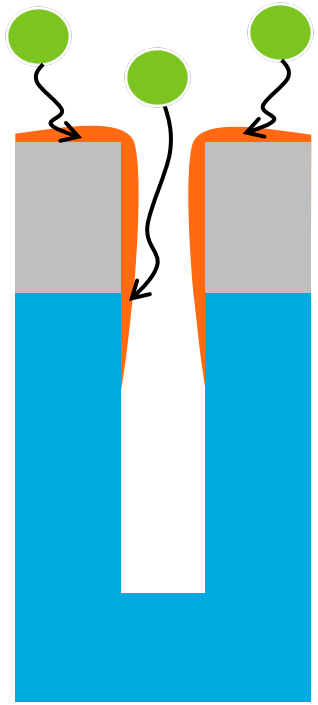
Key Parameters for Etch Controllability

Ion transportation



- Ion energy
- Ion incident angle

Radical transportation

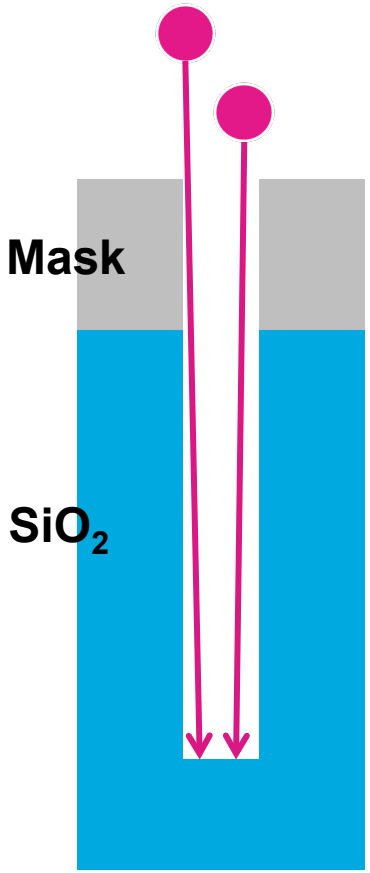


- Gas species
- Wafer temperature

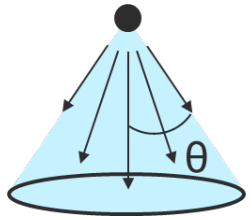
Our Unique Technology 1: HERB™

(HERB™: High Efficiency Rectangular Bias™)

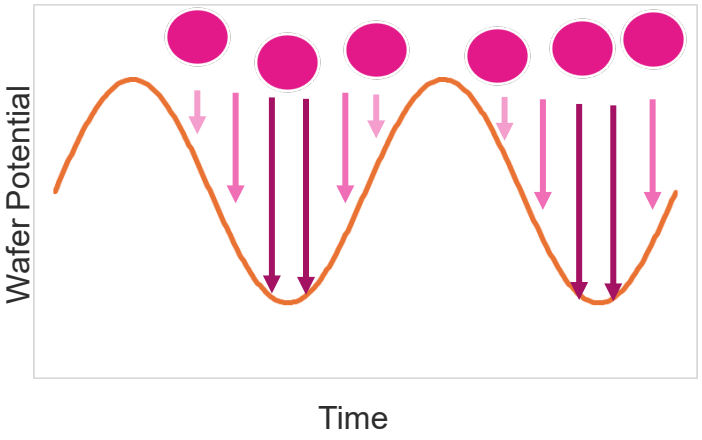
Ion transportation



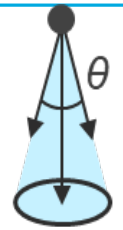
Conventional Technology (Sine wave)



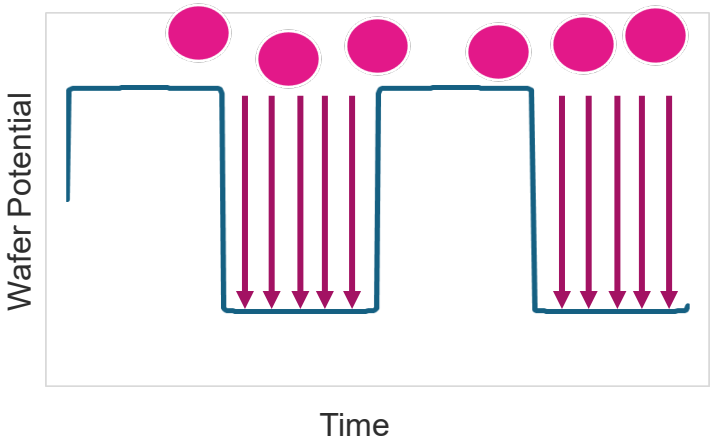
The force attracting ions varies
→incident angle varies



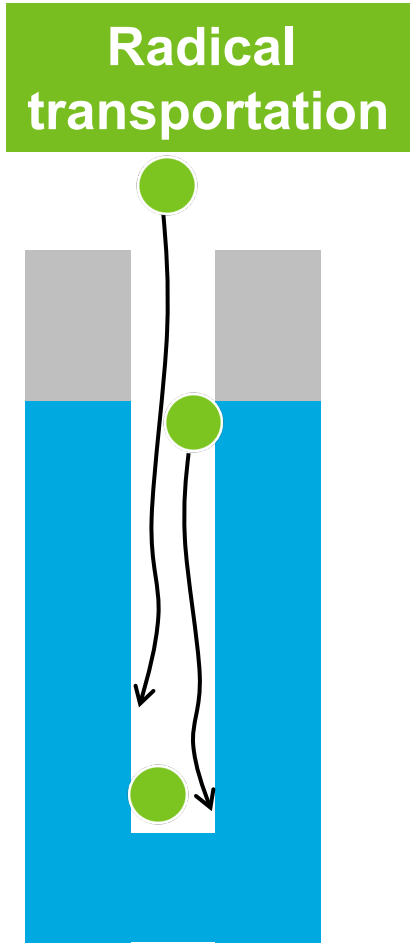
Novel Technology (HERB™)



Force attracting ions are strong and consistent
→incidence angle becomes perpendicular

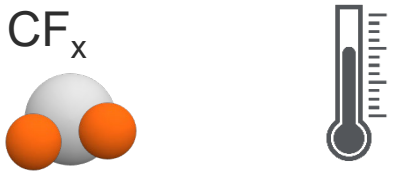


Our Unique Technology 2: PHastIE™



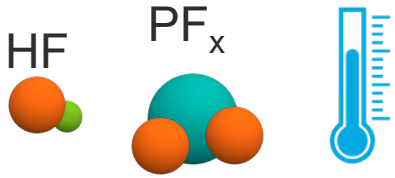
Conventional Technology (CF_x + room temp.)

(PHastIE™: Phosphorus + Hydrogen based “Fast” Ion Etch™)

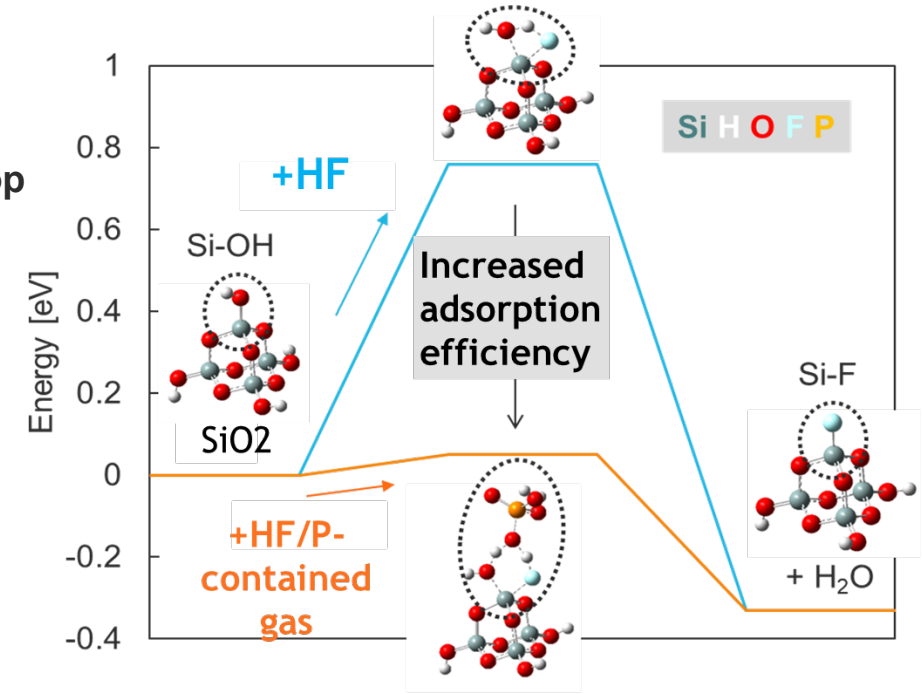


CFx tends to polymerize/adsorb easily
Hinders transportation when accumulated at top

Novel Technology (PHastIE™)



Resolved the issue with novel gas
Achieved high etch rate in combination with low temp.



Novel Cryogenic HARC Etch

Beyond

10μm

2.5x

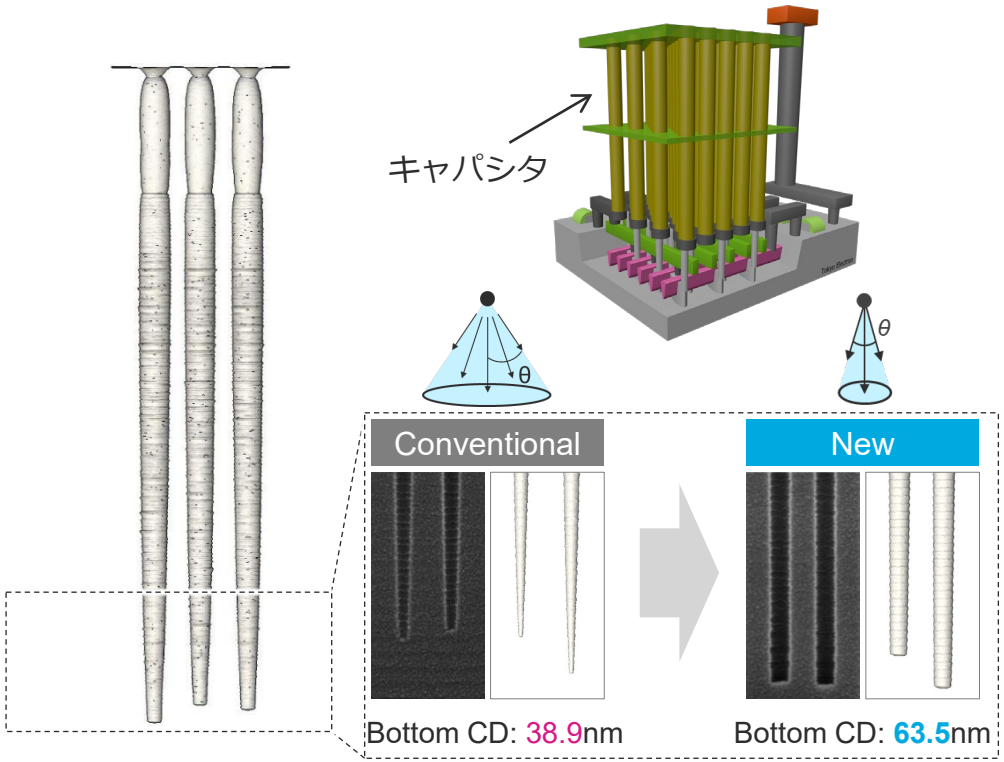
Faster

Process	Environment
Cryogenic temp.	**Power Consumption**
More Linear, Deeper & Faster	Less Power **-43%**
Plasma Control	**CO_2e** **-83%**
Deep-learning Optimization	Less Carbon Footprint

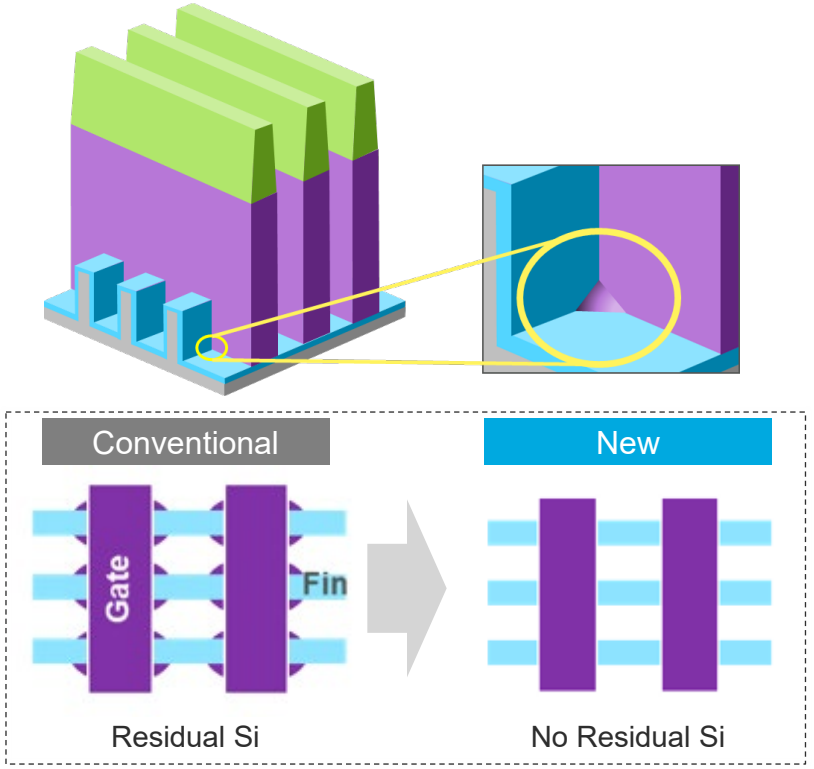
Presented world's first new cryogenic process in 2023 (@VLSI 2023), achieving both high process and environmental performance

Future of New Etch Technologies

DRAM: Capacitor SiO_2 Etch

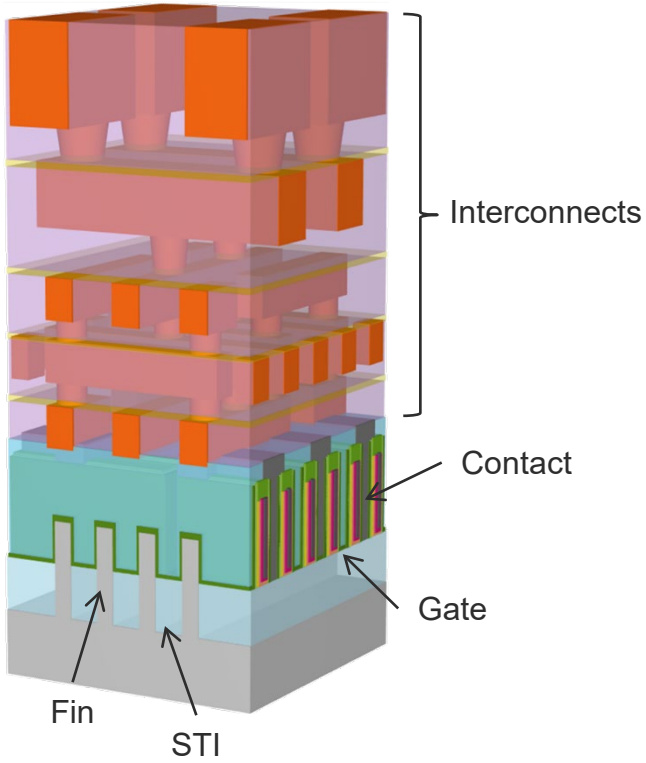


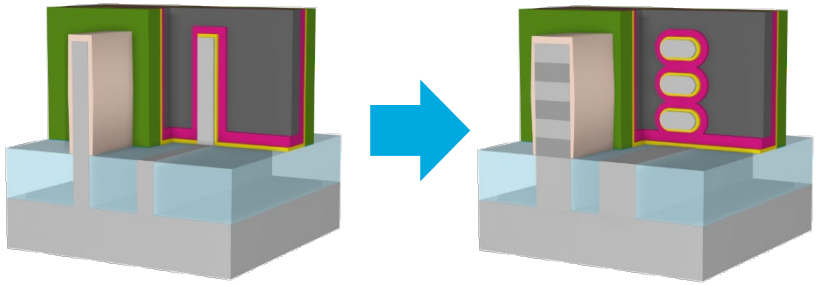
Logic: Gate Silicon Etch



New technologies created through the development of ideal etching process development, will be applied to a variety of critical processes

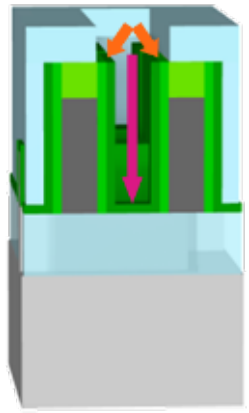
Business Opportunities in Logic



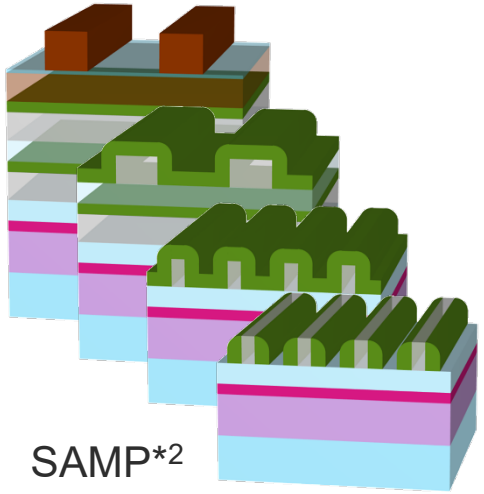


FinFET

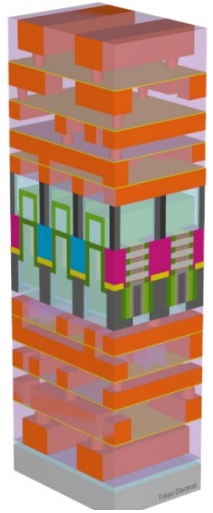
GAA*1 Nanosheet



Self-aligned Contact



SAMP*2



Backside PDN*3

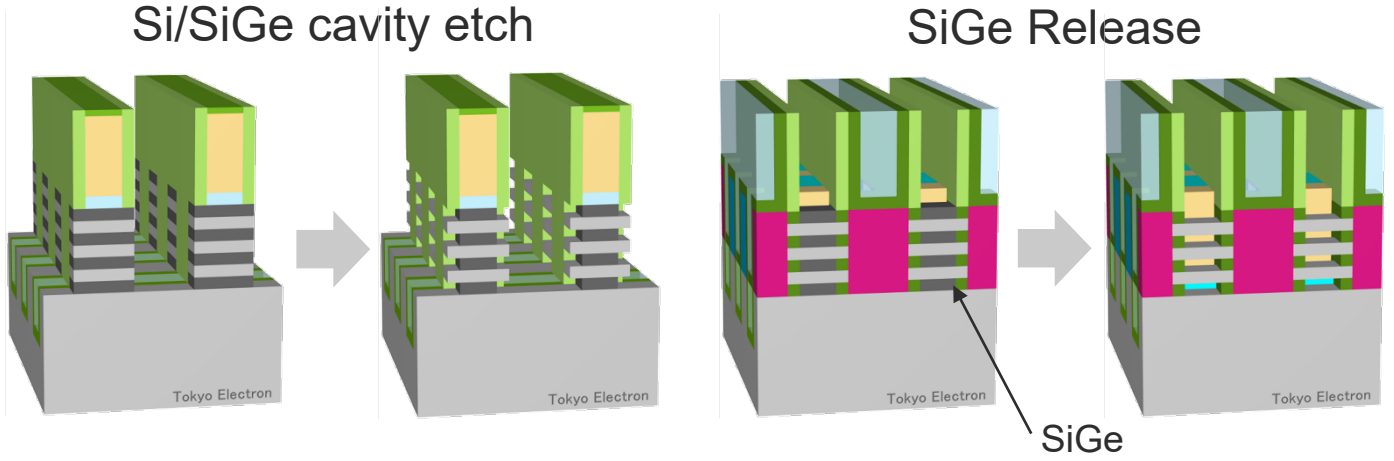
*1 GAA: Gate all around
*2 SAMP: Self-aligned multiple patterning
*3 PDN: Power delivery network

Respond to changes in device manufacturing and EUV lithography for further scaling

Initiative for GAA Nano Sheet Structures

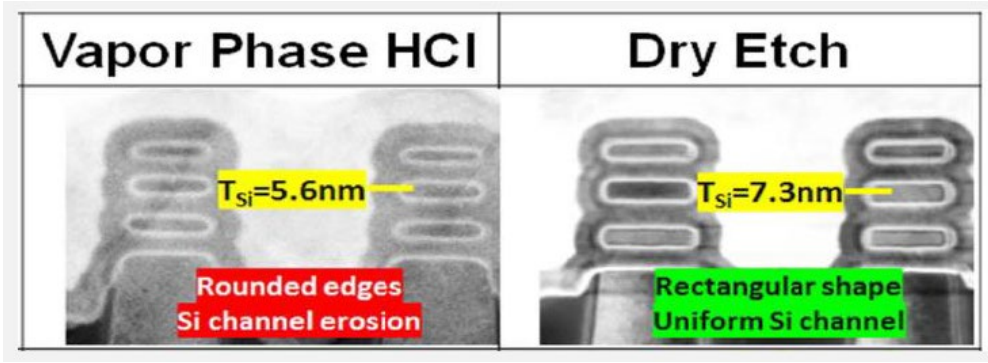
Nano Sheet process challenges:

- Uniformity in rectangle shape
- Mitigation of roughness/residue on patterned surface



TEL's initiative: Gas chemical etch

- High etch selectivity
- High uniformity
- Residue removal/decreased roughness



Source: N. Loubet, et al., IBM, TEL Technology Center, America (IEDM2019)

Leveraging the advantages of gas chemical etch to contribute to leading-edge processes

7-2-2. Deposition System

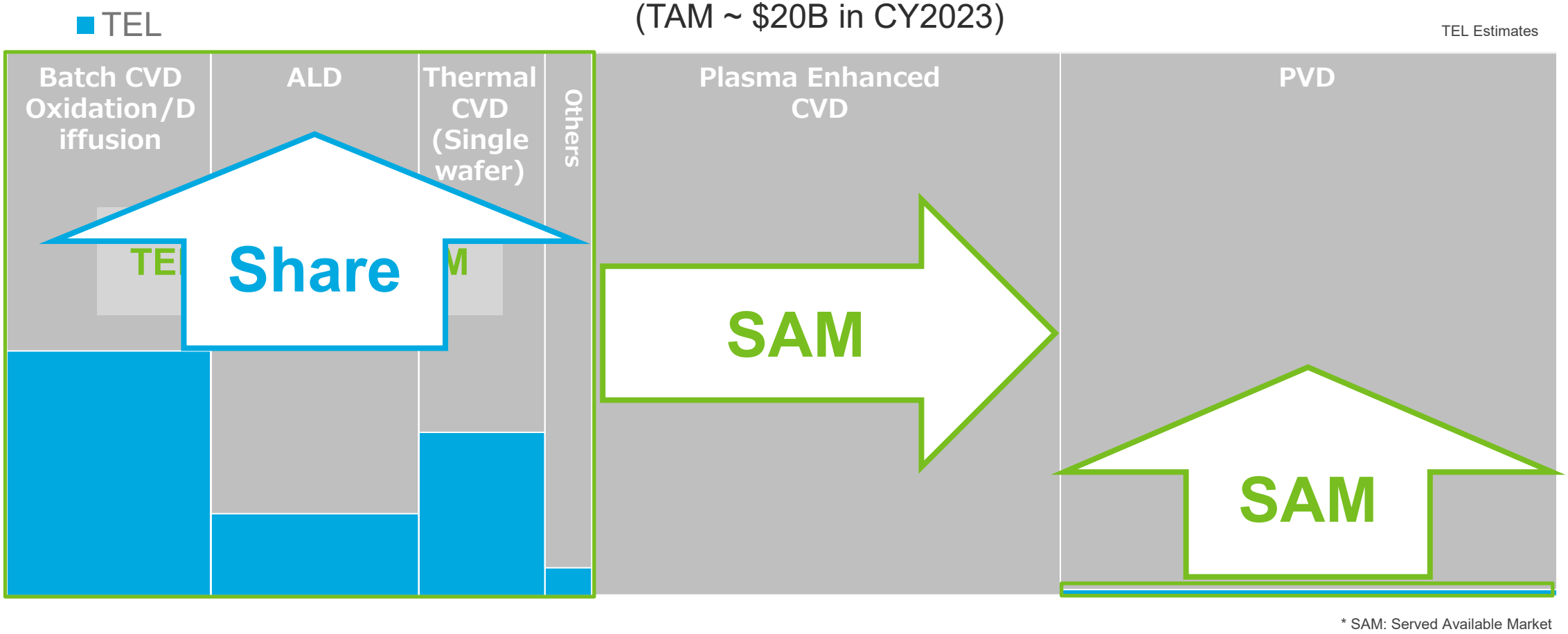
Business Strategy in the Thin Film Deposition Market

Expanding Market Share and SAM*

Presented at IR Day in February 2025

TEL's Market Share and SAM in Thin Film Deposition

(TAM ~ $20B in CY2023)



* SAM: Served Available Market

Strategies in the Film Formation Business 1:
Expand SAM with Single Wafer CVD

Triase+™

Single Reactor
Existing Platform

Episode™ 1

Single Reactor
Equipped with up to eight process modules

Episode™ 2 DMR*

***Duo Matched Reactor**
Achieved high productivity
by processing 2 wfs/PM

Released in July 2024

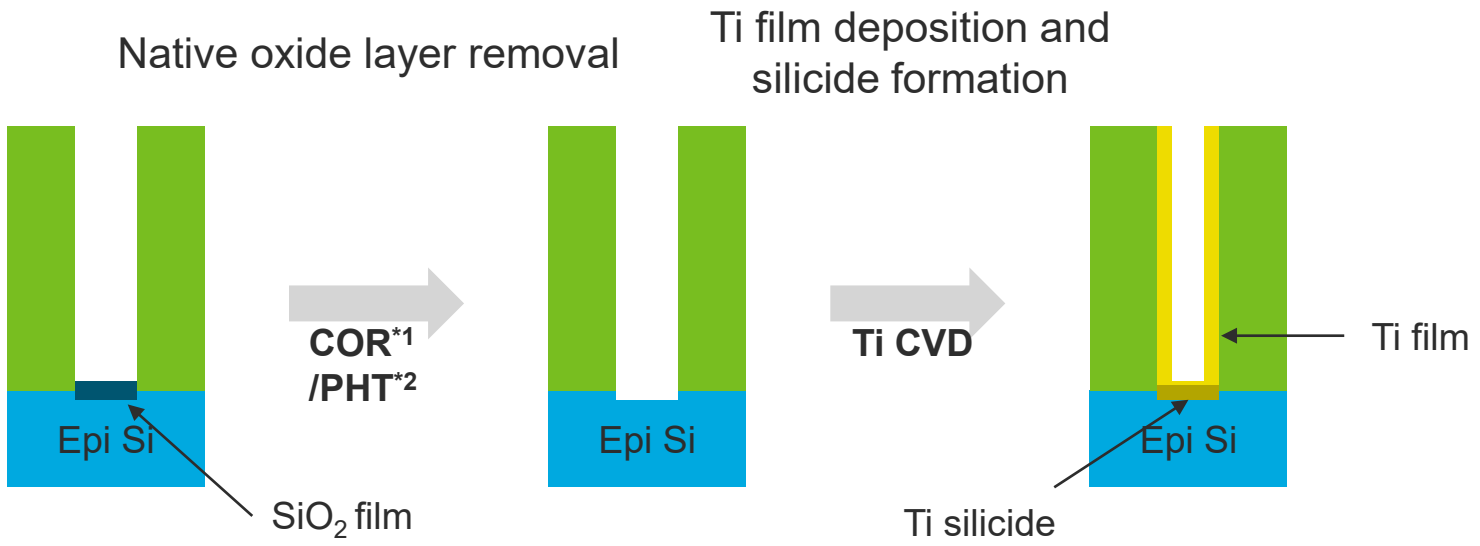
Episode™ 2 QMR**

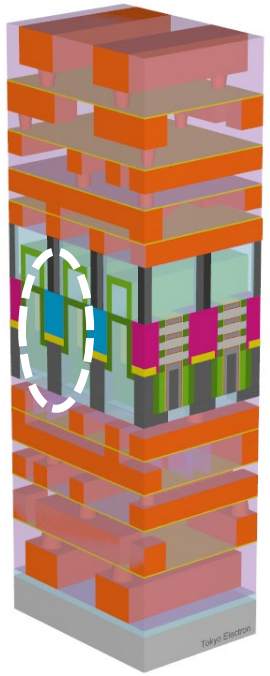
****Quad Matched Reactor**
Equipped with a newly developed
high-density plasma source

Scheduled for release in 2026

Episode™ 1: Contact Formation Process

- Example of process flow



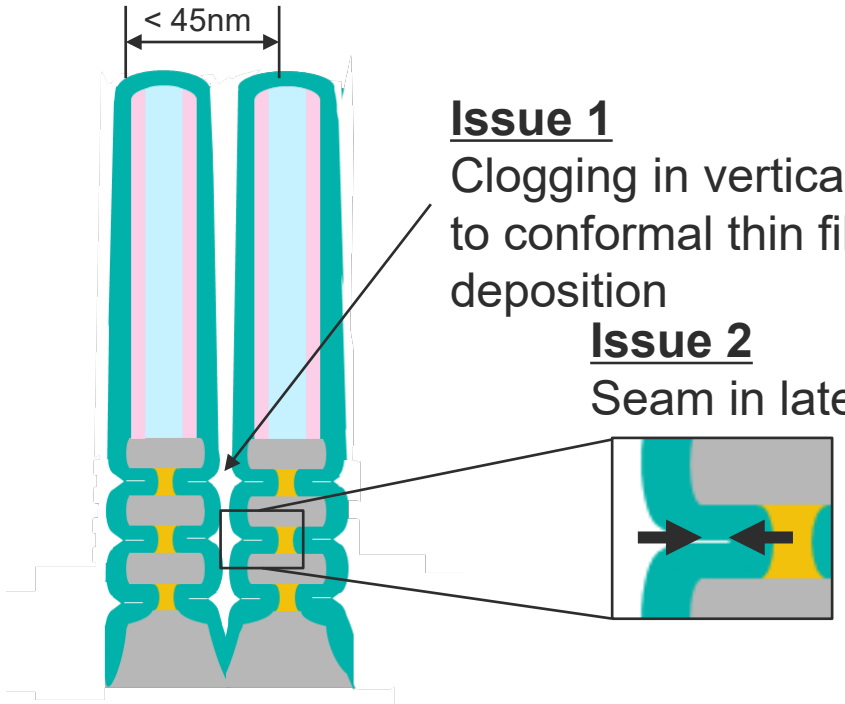


*1 COR: Chemical Oxide Removal
*2 PHT: Post Heat Treatment

Multiple types of process modules are equipped on a high-vacuum transfer module, and low-resistance contacts are achieved by sequentially processing native oxide layer removal and metal film formation

Episode™ 1: Inner Spacer Formation - Lateral Gapfill

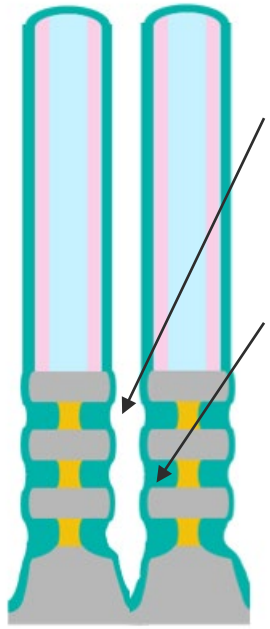
- Issues :
  Leak due to dielectric breakdown due to etching



Issue 1
Clogging in vertical gap due to conformal thin film deposition

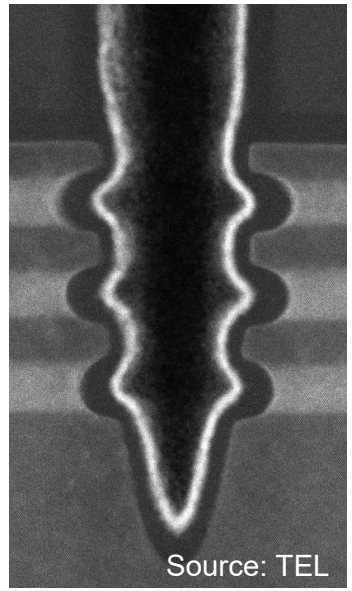
Issue 2
Seam in lateral gap

- Solutions :
  Improve lateral gapfill performance



Solution 1
Thinner film deposition on the side walls

Solution 2
Seamless gapfill in lateral gap



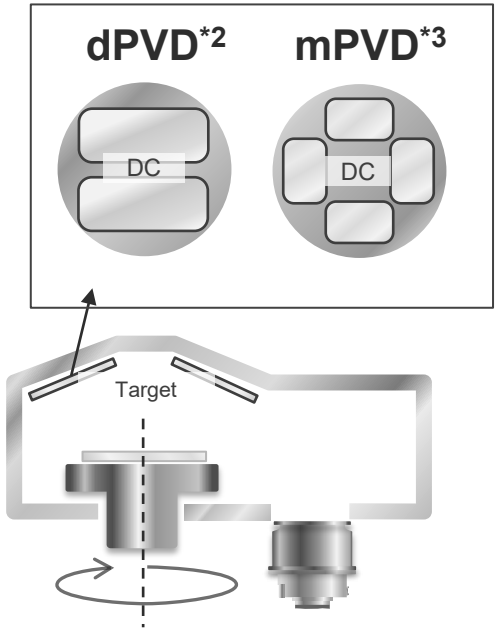
Realized seamless lateral gapfill using a unique thin film deposition technique and laterally uniform film modification using a newly developed high-density plasma

Strategies in the Film Formation Business 2:

SAM Expansion with PVD

LEXIA™ -EX **Released in December 2024**

- Oblique angle sputter with wafer rotation system
  - Excellent thickness uniformity (1σ 0.5%)
- Unique multi-cathode*1 configuration
  - High deposition rate
  - Capability of tuning film composition ratio with multiple materials
- High throughput (~100WPH)
- Significant footprint reduction vs conventional model



*1 Cathode: An electrode for material deposition
*2 dPVD: Dual cathode PVD
*3 mPVD: Multiple cathode PVD

Strategies in the Film Formation:
Growth in Batch Thermal Process/Deposition

- Major applications
  - Silicon process in general (dummy gate, channel Si, etc.)
  - Batch ALD high-k (capacitor dielectric)
  - Plasma/Thermal ALD-SiN/SiO_2
  - Batch low-resistance metallization (word line)

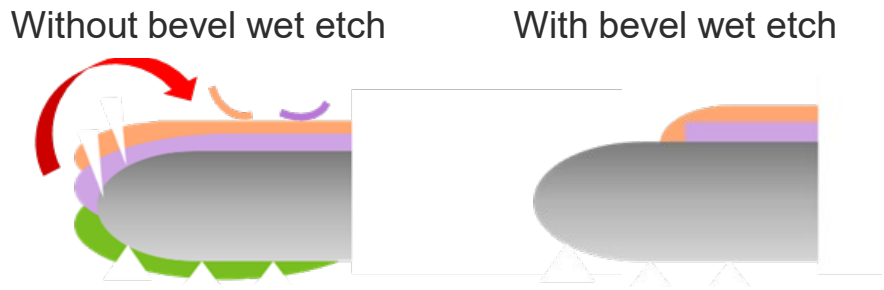
- Development plans
  - Increase load port size (8 lots, 200 wafers/batch)
  - Improve exhaust conductance to mitigate pattern loading effect
  - Enhance energy efficiency (elevate heater performance)
  - Enhance labor reduction (one-touch start-up, self-maintenance, DX)

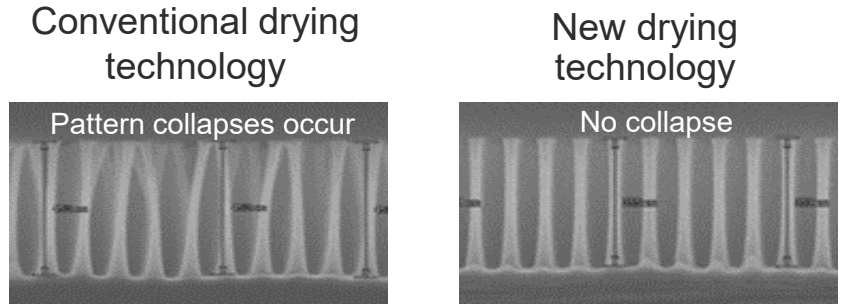
TELINDY™ PE-II

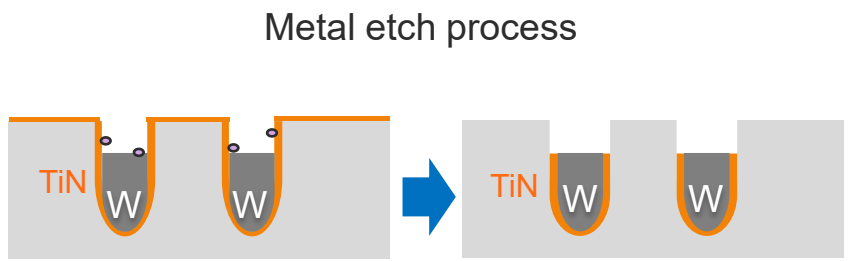
7-2-3. Cleaning System

Single Wafer Cleaning Strategy

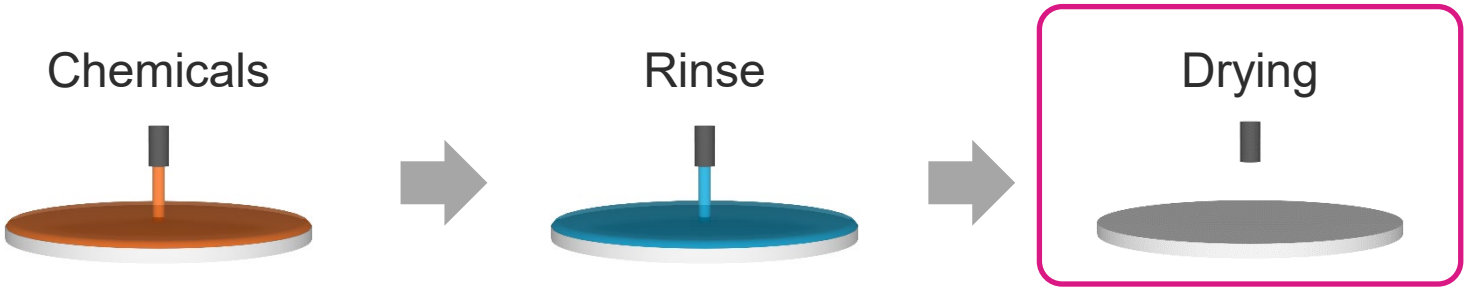
- Single wafer cleaning
  - Bevel wet etch
    - Expect annual market growth rate of around 10%
    - Contribute to improving customers' yields. Maintain a high market share by differentiating through performance in precisely removing film from the outer part of the wafer
  - Prevent pattern collapse
    Expand market share by TEL original technology to reduce collapse of high aspect ratio pattern
  - Metal etch
    Launched new dedicated SPM chambers for controlling selectivity for metal in order to solve reduced yield issues caused by dry etch damage and residue



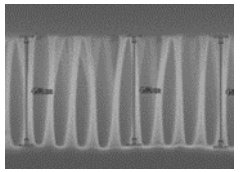




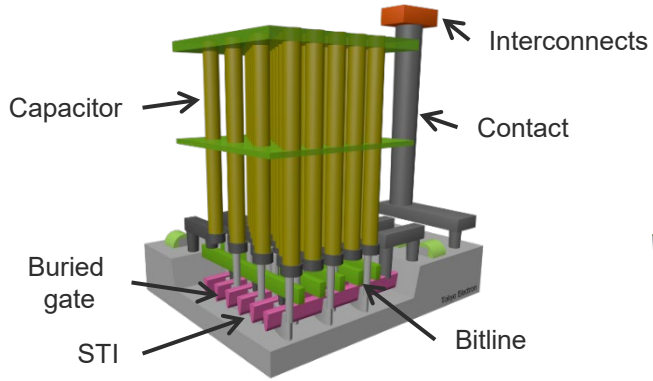
Technology Challenges in Cleaning for State-of-the-Art Devices



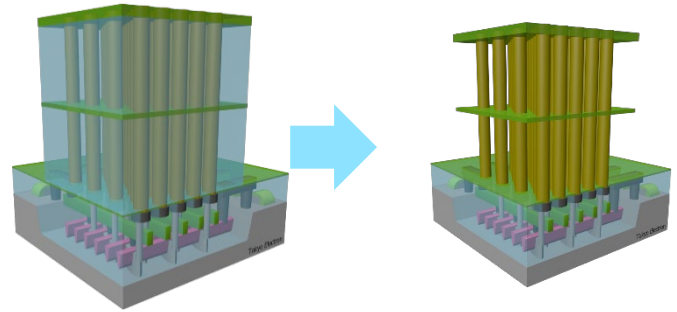
Pattern collapse



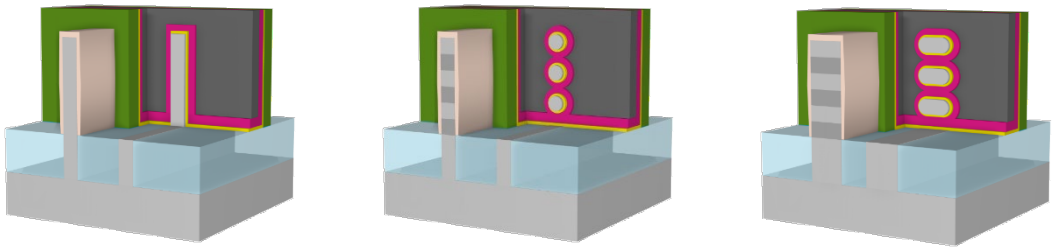
- DRAM
  - Post-STI etch cleaning
  - Mold wet etch after capacitor electrode formation



Wet etch



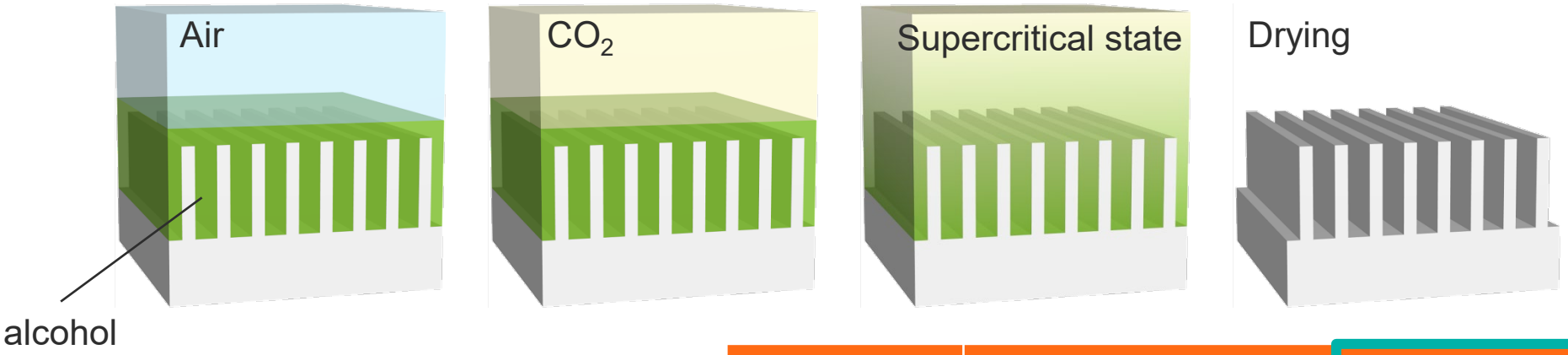
- Logic
  - Post-fin etch cleaning
  - Post-nanowire/nanosheet formation cleaning

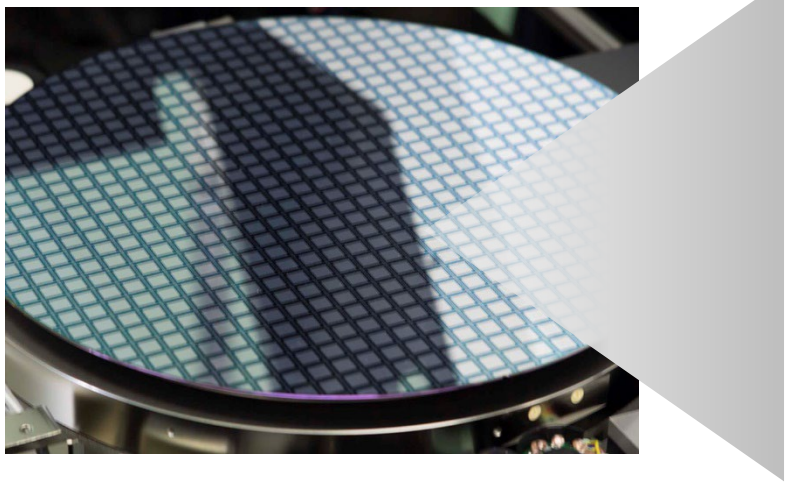


FinFET Nanowire Nanosheet

Drying technology more difficult due to further scaling and higher aspect ratios in device manufacturing

Supercritical Drying Technology





	Traditional drying	TEL's supercritical drying
Top View		
Side View		

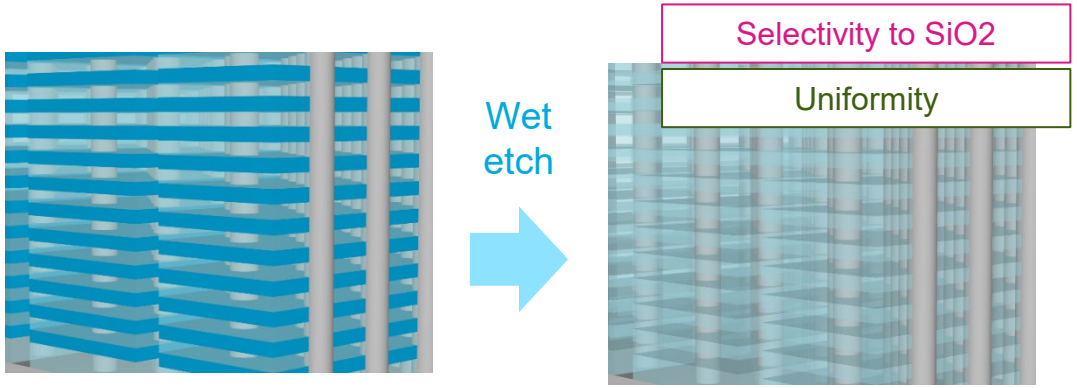
Supercritical drying technology prevents pattern collapse

Batch and Scrubber Cleaning Strategy

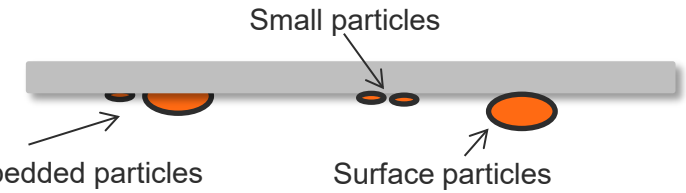
- Batch cleaning
  - SiN etch and W etch processes for 3D NAND
    Focus on processes that require long durations and advanced process technology. Differentiate by realizing high uniformity, high selectivity and high productivity in wet etch

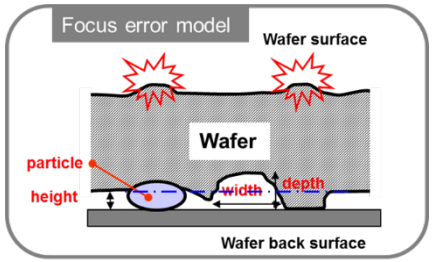
- Scrubber cleaning
  - Pre-lithography process
    Provide high-value solutions such as reducing particles brought in by wafers, contributing to the improvement of exposure tool availability which have grown increasingly important due to the introduction of EUV

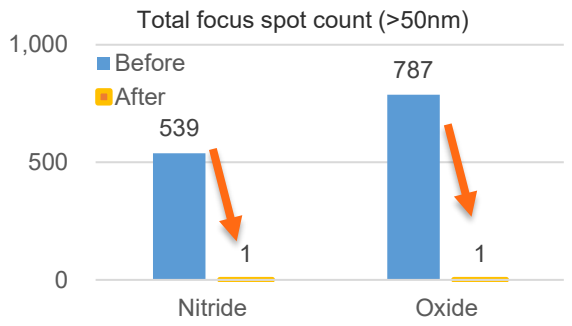
SiN etch process



Wafer back and defocus diagram

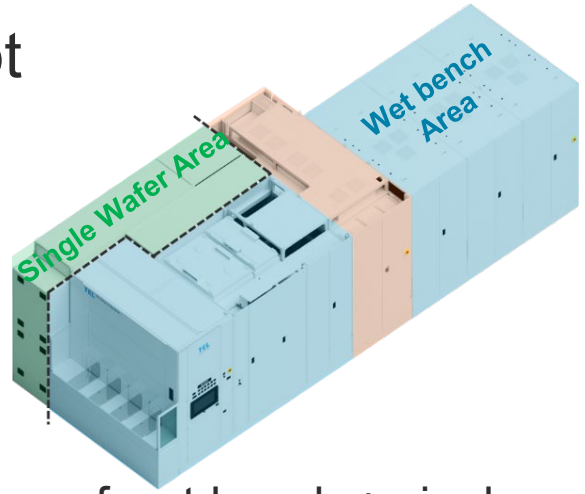






ZEXSTA™

- Concept



A combination of wet bench + single-wafer process

Method	Features
Wet Bench	High-temp/ long-duration process, wet etch
Single Wafer	Advanced drying technology, particle control

- Target Application
  - Advanced wet etch + advanced dry tech

    - Highly selective wet etch process will be required for also 3D DRAM in addition to 3D NAND
  - High throughput + surface cleanliness

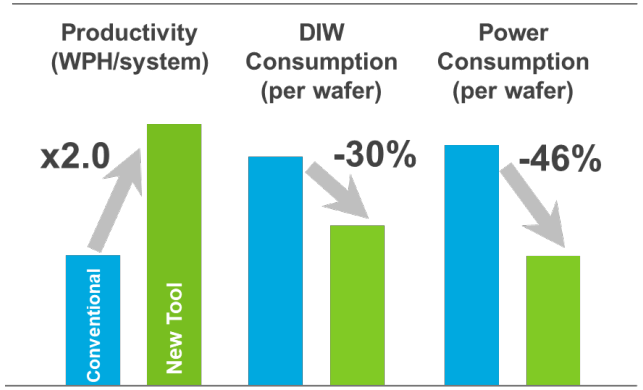
    - High surface cleanliness is required for logic and DRAM

TEL will contribute to customer technology development by continuing to create new value, overcoming the constraints of traditional equipment classifications

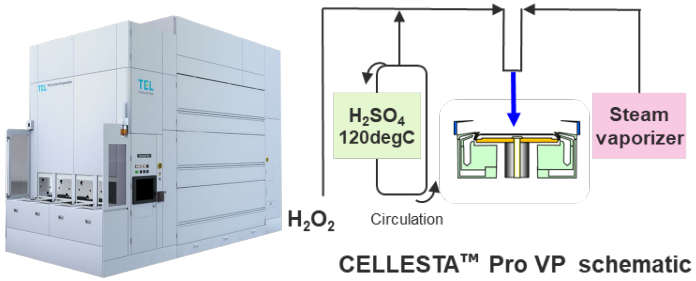
Development of Cleaning Systems

High Productivity Wet Bench (EXPEDIUS™-R)

Industry's first large-batch process (increased wafer counts)



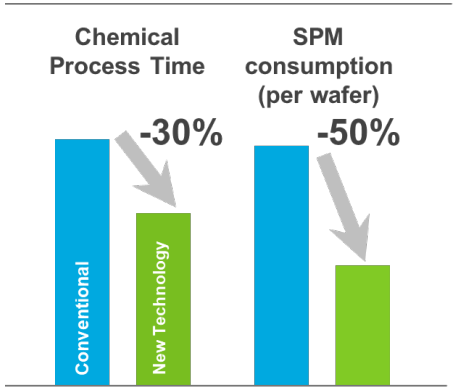
SPM*1 Vapor Technology (CELLESTA™ Pro VP)



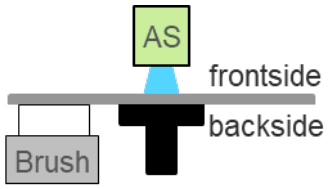
CELLESTA™ Pro VP schematic

Enabled higher temperature process due to a more effective rection by adding water vapor to chemicals

*1 SPM: Sulfuric Acid and Hydrogen Peroxide Mixture

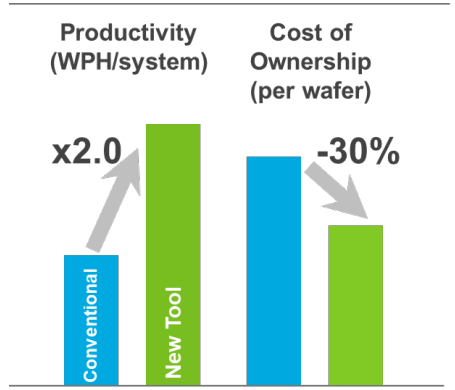


Simultaneous Scrubber (CELLESTA™ MS2)



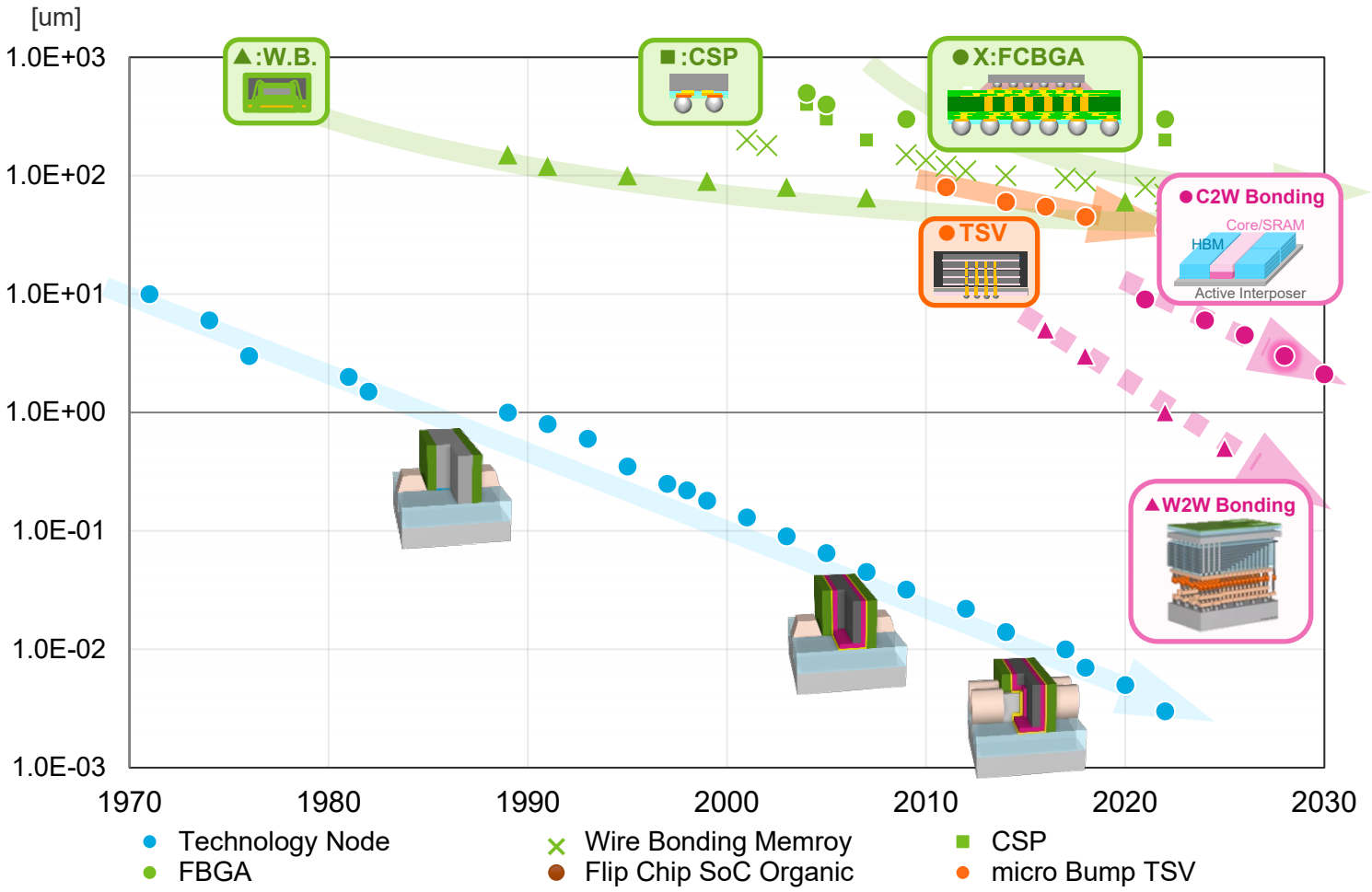
A tool enabling AS*2 process on wafer frontside and physical brushing process on wafer backside simultaneously in a single chamber

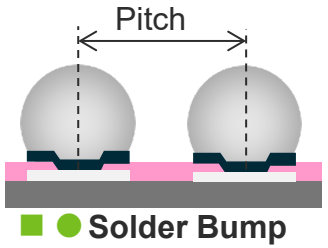
*2 AS: Atomized Spray

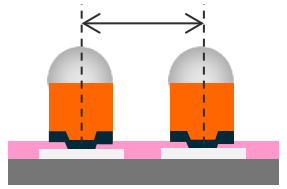


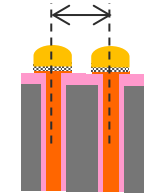
7-3. Backend Business Strategy

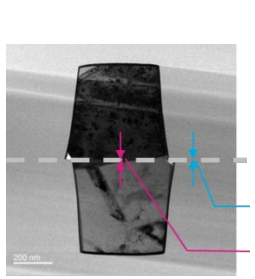
Semiconductor Technology Node and Bump Pitch

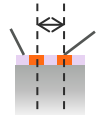












Wafer Bonding

● ▲ Cu Hybrid Bonding

Introduction of wafer bonding technology accelerates further reduction of pitch

History of Product Launches in Assembly and Test* Systems

New Category Product　　Next Generation/Improvement Product

Synapse™ S
Fusion bonder

Synapse™ V
Temporary bonder

Synapse™ Si
Cu hybrid / Fusion wafer bonder

Prexa™
Wafer Prober

Ulucus™ L
Laser Edge Trimmer

Synapse™ Si (high accuracy)
Cu hybrid / Fusion wafer bonder

Ulucus™ LX
Extreme Laser Lift Off

Die Test Prober
Upcoming system for release

Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026

Synapse™ Z plus
De-bonder

Synapse™ ZF
Post bond re-worker

Ulucus™ G
Wafer Thinning

3DI
Upcoming system for release

Accelerating product development to prepare for the era of 3D integration

*Test : Prober for Advanced Packaging Test

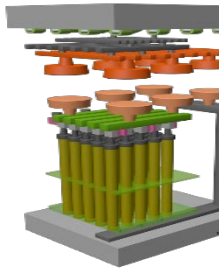
3DI / Test Business Expands Opportunities for HPC/AI Device

Frontend Process

Device Manufacturing

BSPDN*1

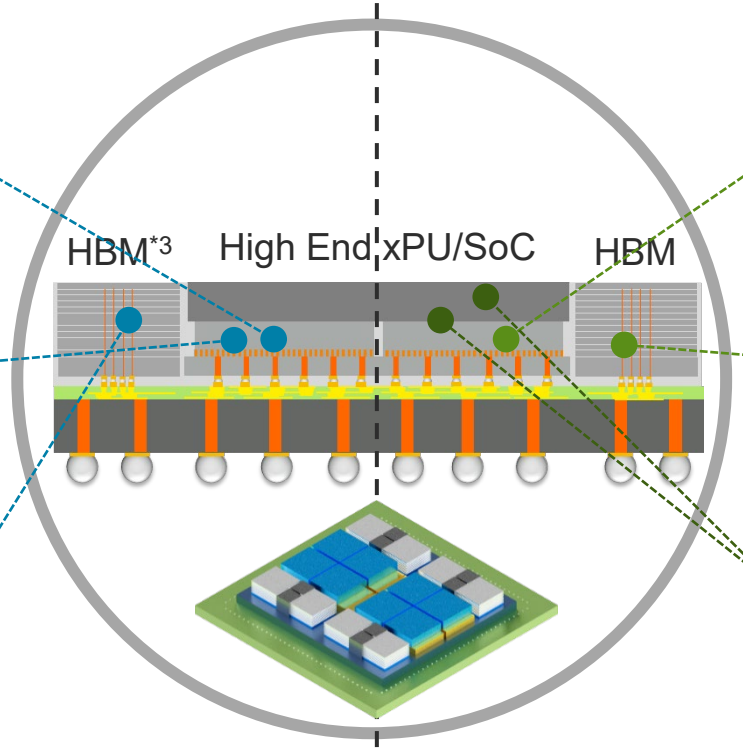
CFET*2



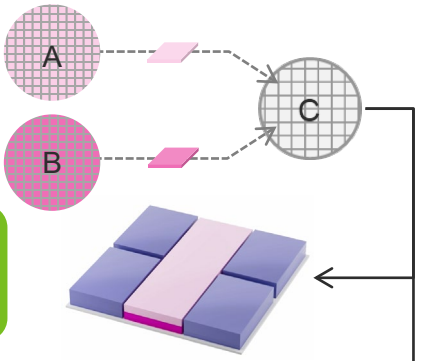
DRAM

Advanced Packaging

Assembly after Dicing/Singulation

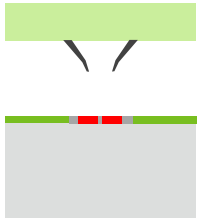


3DIC



Stack Memory

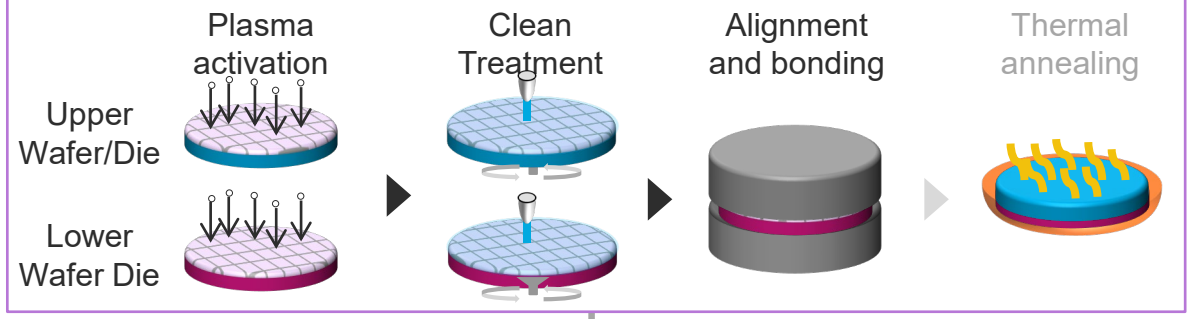
Die Test for KGD*4

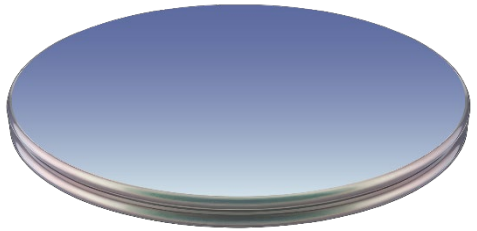


*1 BSPDN: Back Side Power Delivery Network
*2 CFET: Complementary Field Effect Transistor
*3 HBM: High Bandwidth Memory
*4 KGD: Known Good Die

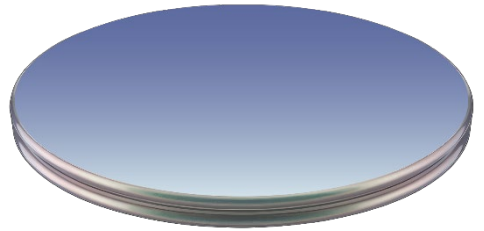
TEL's Opportunities for Bonding Technology

Bonding Technology

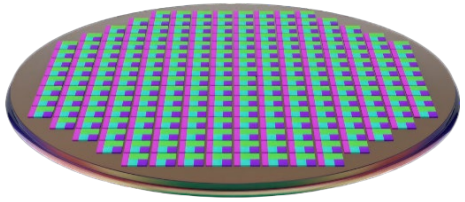




Wafer-to-Wafer Bonding



Wafer-to-Wafer Bonding



Die-to-Wafer Bonding

Benefits for Pitch scaling & Higher speed / Lower power consumption

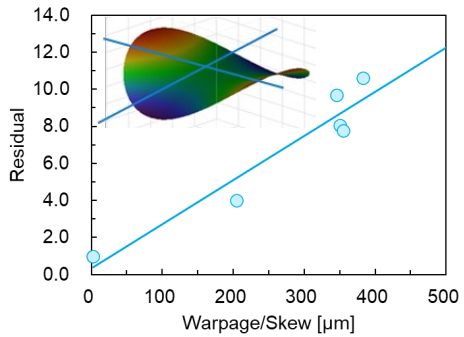
Frontend Process

Advanced Packaging

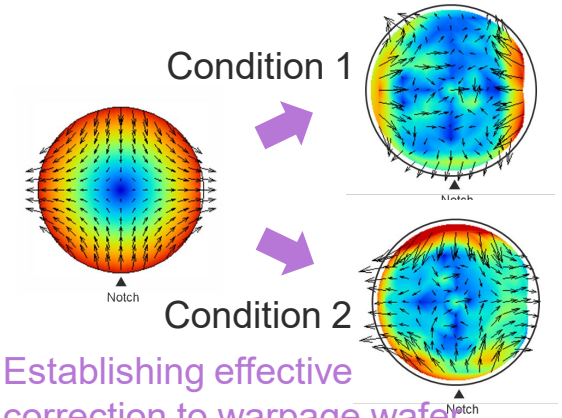
Wafer Bonder Technology Roadmap and Challenges

CY	2025	2026	2027	2028	2029	2030~31	2033~34	Beyond
Logic	(2nm/18A)	(16A)	BSPDN on GAA NS	(14A)		(10A)	(7A) CFET	(5A)
	Distortion ≤ 4nm			Distortion ≤ 3nm			Distortion ≤ 2nm	
NAND	2-wafer-bonding					3-wafer-bonding	4-wafer-bonging	
	Wafer warpage < 500μm						Wafer warpage > 500μm	
DRAM	6F² DRAM			4F² VCT/3D DRAM				
				Distortion ≤ 3nm / DxDy < 50nm				

Wafer Warpage Challenges and Actions

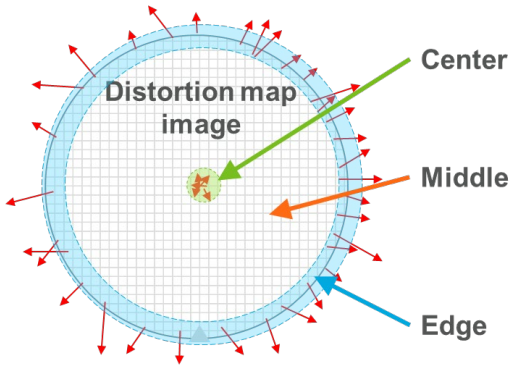


Relation between wafer warpage and residual (distortion)

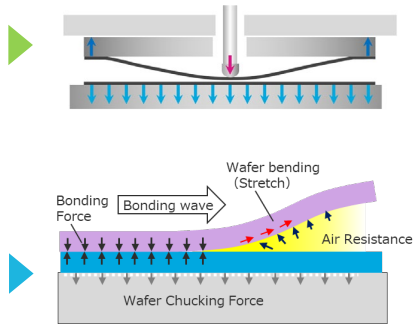


Establishing effective correction to warpage wafer

Distortion Challenges and Actions



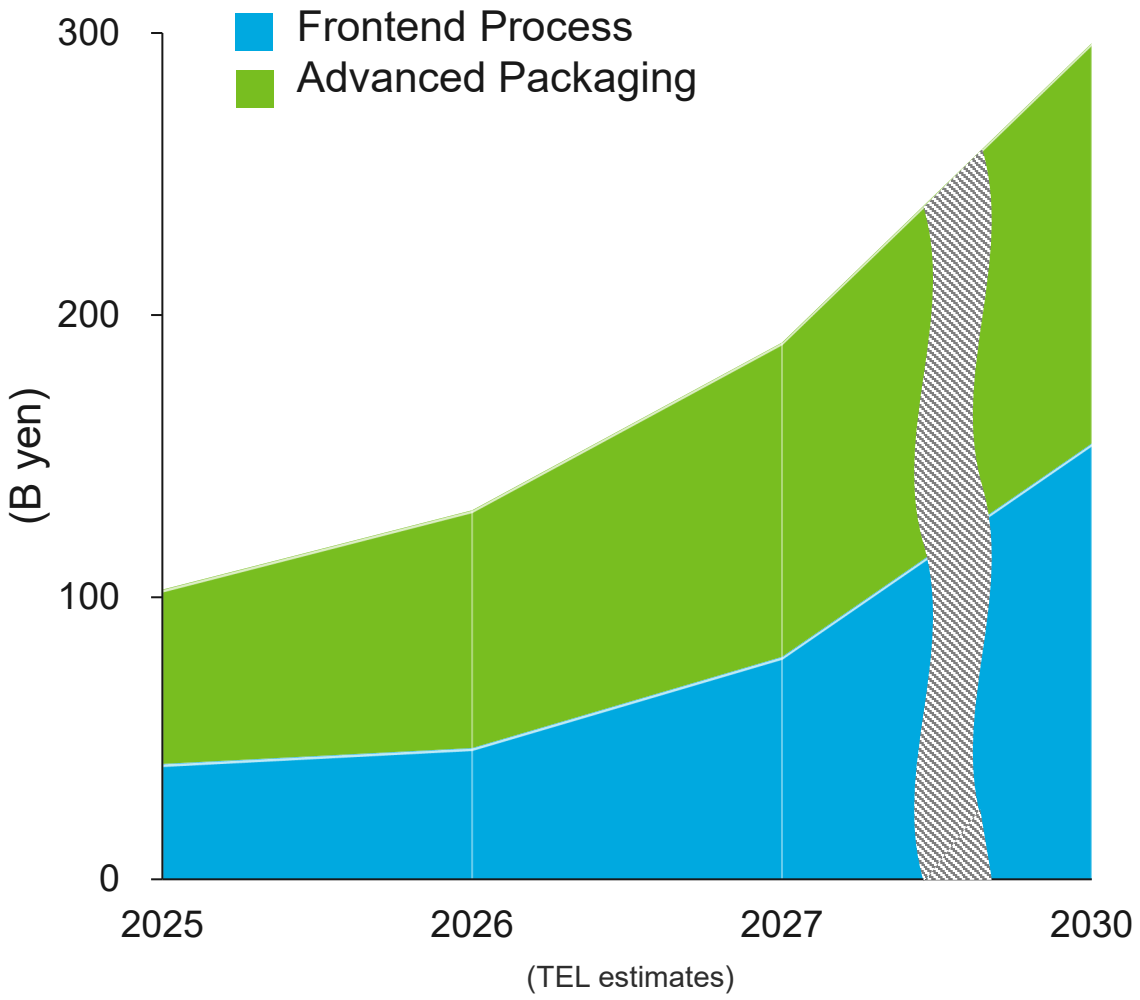
Distortion vector



Optimizing hardware and process

TEL is developing various technologies in advance to prepare for next-generation devices

Bonding Process Equipment TAM*

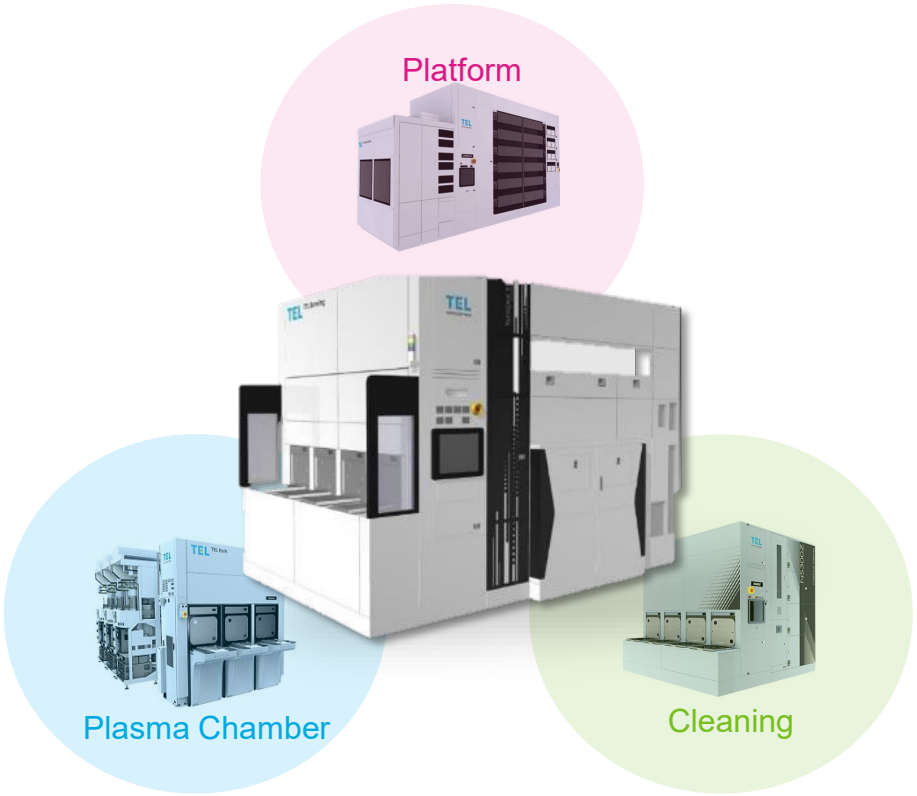


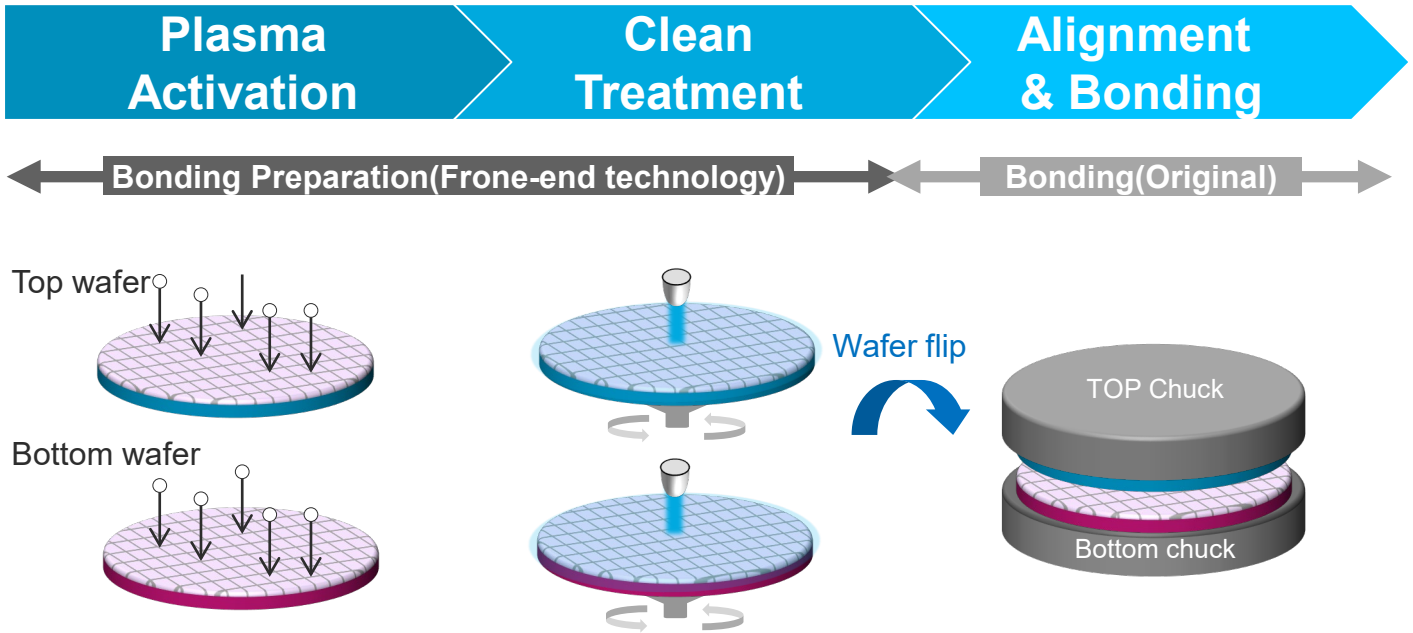
Anticipating a TAM CAGR of 24% from CY2025 to CY2030

- Projected to achieve 300 billion yen by CY2030
- Encompassing both frontend processes and advanced packaging equipment
- Addressing bonding/debonding, slicing, and thinning process equipment utilizing various technologies

* TAM : Total Available Market

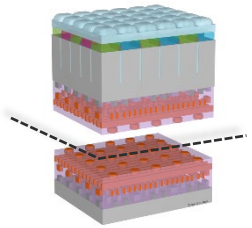
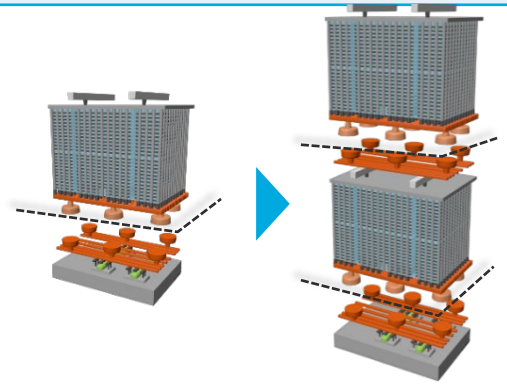
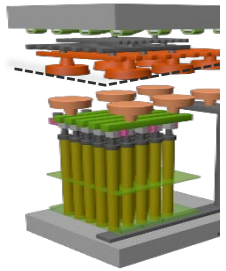
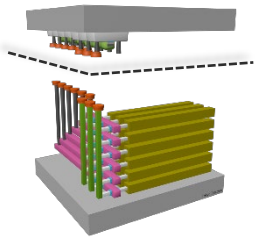
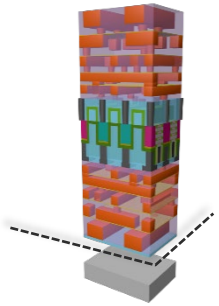
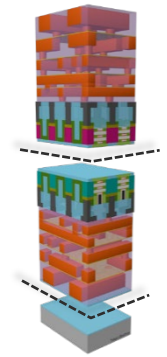
Wafer-to-Wafer Permanent Bonder Synapse™ Si





- TEL's existing broad technology and business contributing effective product development/CIPs
- Making good progress with major memory, logic customers towards high volume manufacturing
- Leading W2W Fusion/Cu hybrid bonding technology for next generation device manufacturing

Broad Applications and Expansion of Bonding Technology

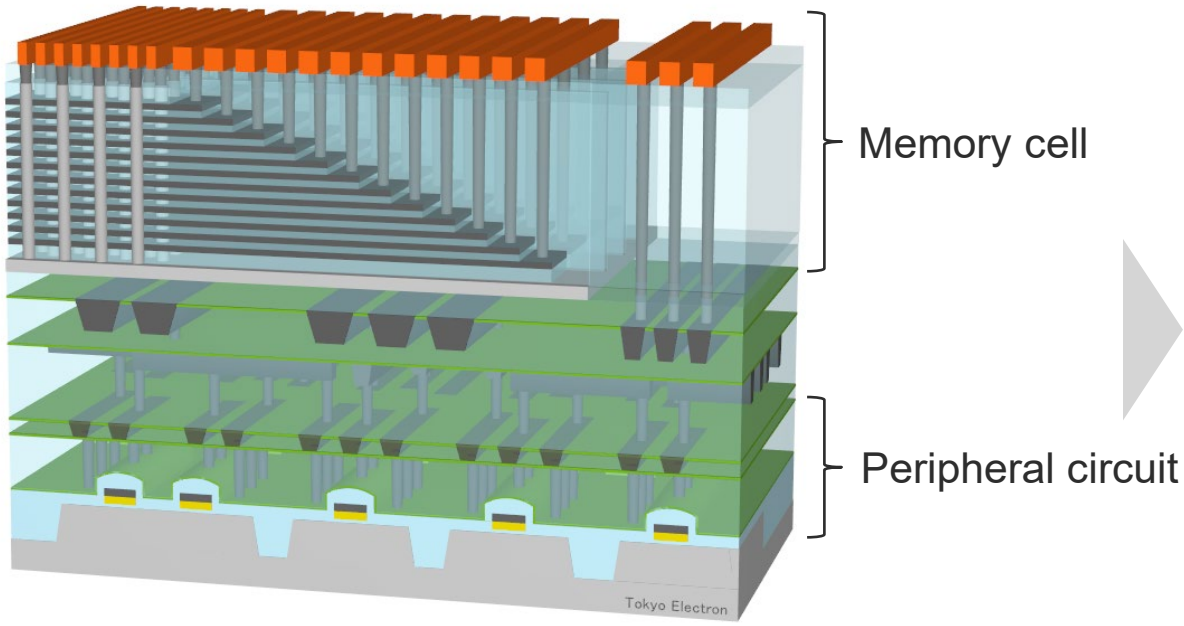
Application	Frontend Process					
	CIS[*1]	NAND		DRAM		Logic
Stacking Device	BSI[*2] Pixel + (Peripheral) + Logic	3D NAND Cell + Peripheral ⋮ + Cell + Cell + Peripheral		VCT[*5] DRAM (Si Substrate) + Peripheral + Cell + (Si Substrate)	3D DRAM (Si Substrate) + Peripheral + Cell + (Si Substrate)	BSPDN Logic + Si Substrate	BSPDN & CFET Logic + Logic + Si Substrate
Bonding	Wafer to Wafer (CHB[*3]/Fusion)	Wafer to Wafer (CHB)		Wafer to Wafer (CHB/Fusion)	Wafer to Wafer (CHB/Fusion)	Wafer to Wafer (HB[*6]/Fusion)	
Structure							
Status	HVM[*4]	R&D~HVM	R&D	R&D	R&D	R&D~HVM	R&D

The design of future devices is transitioning from single bonding to multi-bonding structures

*1 CIS: CMOS Image Sensor
*2 BSI: Backside Illumination
*3 CHB: Cu Hybrid Bonding
*4 HVM: High Volume Manufacturing
*5 VCT: Vertical Channel Transistor
*6 HB: Hybrid Bonding

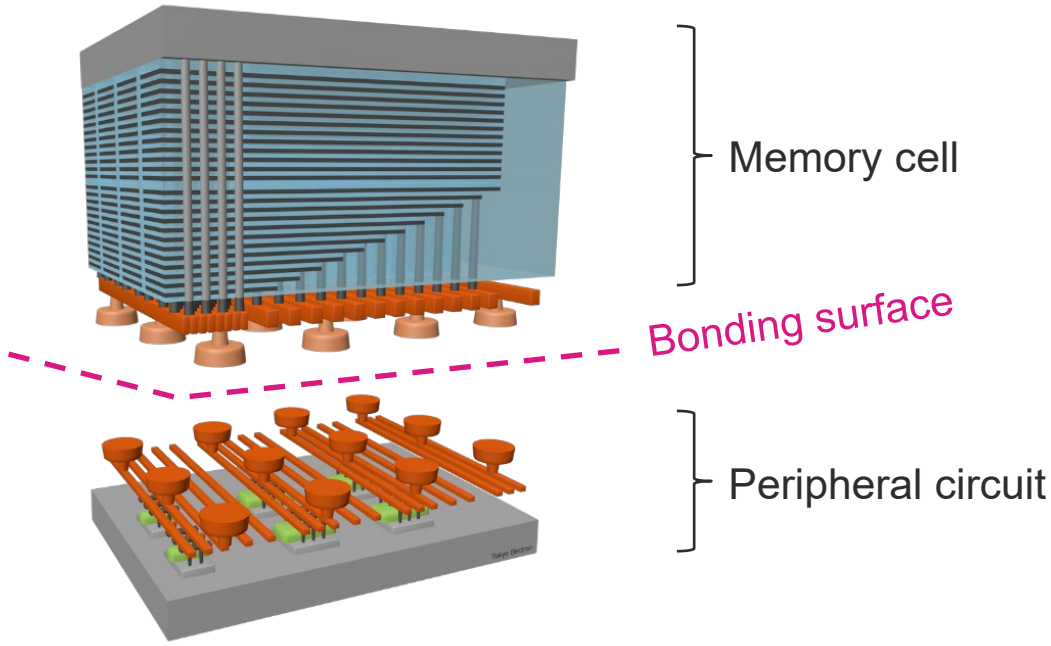
Wafer Bonding Application for 3D NAND

Current structure



- ✓ Peripheral circuit performance deteriorates due to exposure to high temperature during memory cell manufacturing
- ✓ Long interconnects wiring

New structure

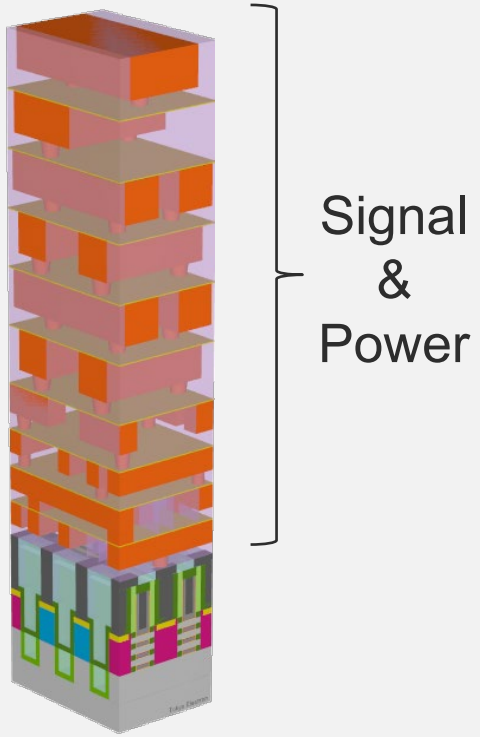


- ✓ Peripheral circuit is manufactured on the separate wafer and bond to the memory cell wafer
  - higher peripheral circuit performance
  - shorter TAT* process
- ✓ Shorter interconnects wiring

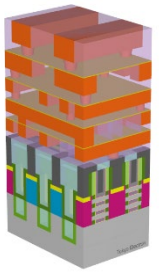
* TAT: Turnaround time

Wafer Bonding Application for Logic Backside PDN

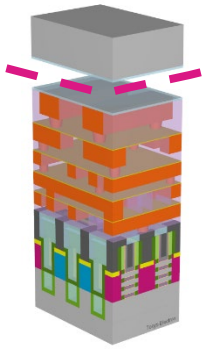
Conventional Structure



1. Signal BEOL (Front side)

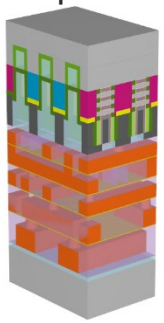


2. Si Wafer Bonding

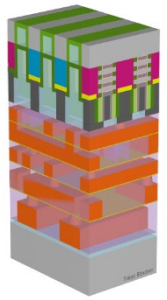


flip

3. Flip Wafer



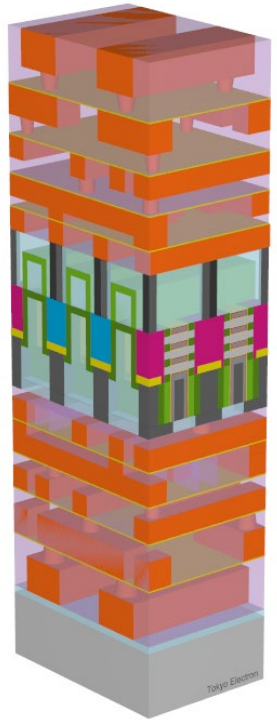
4. Backside Thinning



5. Power BEOL (Backside)

Backside PDN*

*Power Delivery Network



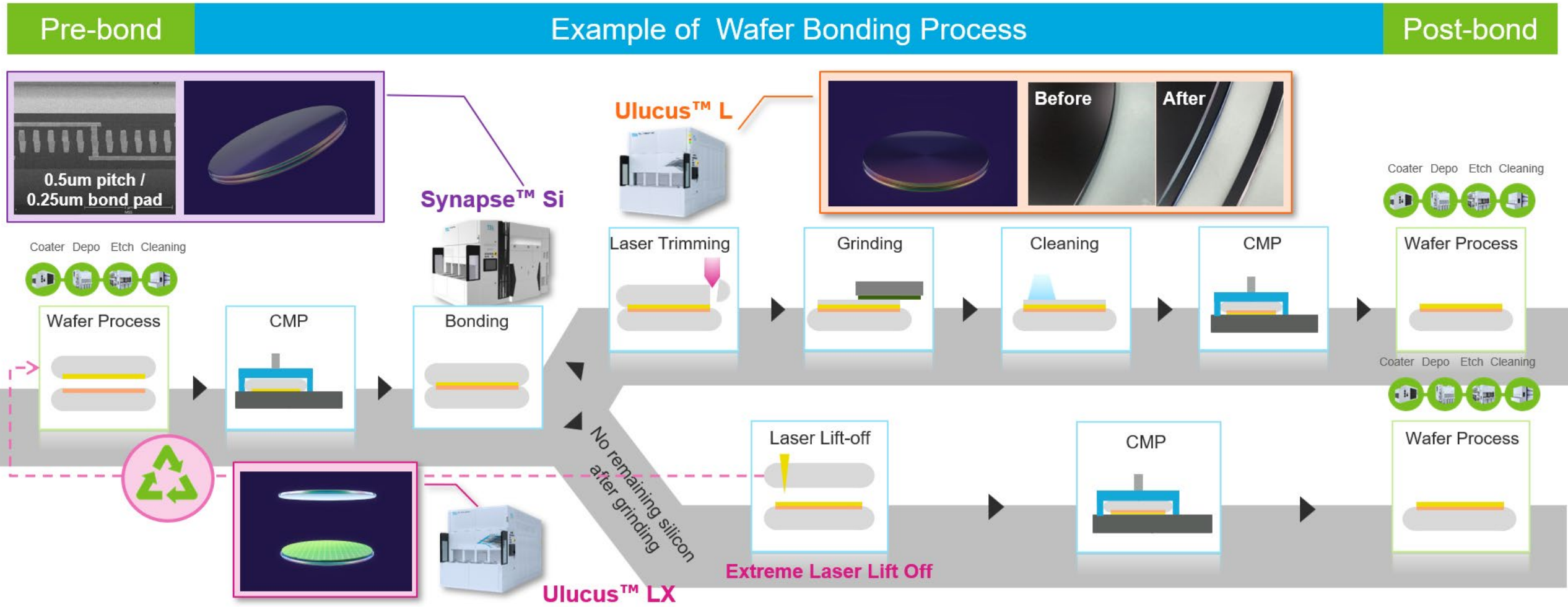
Can pursue further scaling without the bottleneck due to power wiring

Broad Applications and Expansion of Bonding Technology

Application	Advanced Package		
	Stack Memory / HBM	3DIC	
Stacking Device	DRAM Wafer ⋮ DRAM Wafer + DRAM Wafer + Logic Wafer OR DRAM ( ) Die ⋮ DRAM ( ) Die + DRAM ( ) Die + Logic Wafer	SoC Disaggregation Device A Wafer + Device AorB Wafer OR A, B, C, Die, Wafer	Heat Spreader Heat Spreader + Device
Bonding	Wafer to Wafer / Die to Wafer (CHB/Fusion)	Wafer to Wafer / Die to Wafer (CHB)	Wafer to Wafer (Fusion)
Structure	**Micro Bump** → ***Cu hybrid*** (More stacks) Change • Thinner die / more stacks • High density connection • Better thermal conductance Cu	**Monolithic SoC** → ***3D Stack IC*** SRAM, CPU/GPU, I/O & Peripheral Change • Small formfactor (3D stack vs. 2D) • Higher speed (shorter wiring, no bump) • Lower power (shorter wiring, no bump) • Lower cost (higher yields, easy to mix processes) • Shorter time to market (matured IP block reuse)	Heat Spreader • Better thermal conductance
Status	R&D	R&D ~ HVM	HVM

The opportunity for CHB/fusion bonding is growing to encompass advanced packaging

Frontend Wafer Bonding Process and TEL Products



Integrating various TEL equipment enables next generation wafer bonding processes that deliver high performance and process efficiency

Laser Trimming System: Ulucus™ L

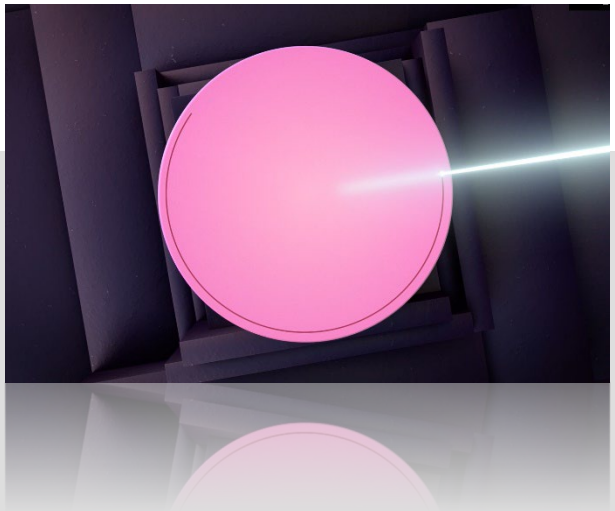
- Concept
  - Edge trimming on bonded wafer
  - Latest platform utilizing super clean technology from the front-end process, with the integration of laser control technology

Laser technology realizes high accuracy and quality trimming processes, and environment-friendly capability through the reduction of DIW usage

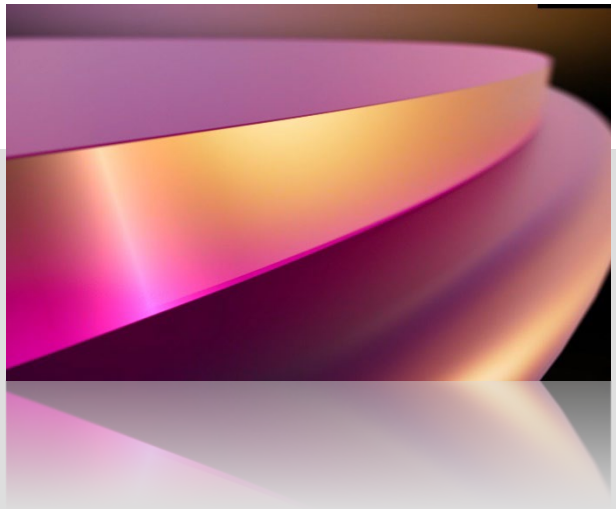
Laser Trimming System

Revolutionize wafer bonding process with laser technology

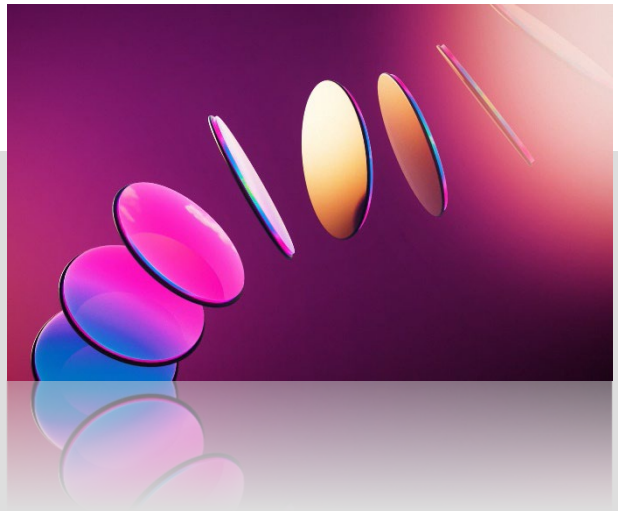
Enhance yield and significantly reduce the use of DIW in the edge trimming process



Higher Accuracy
Enabling narrower trimming width



Smooth Sidewall
Less damage, Better yield

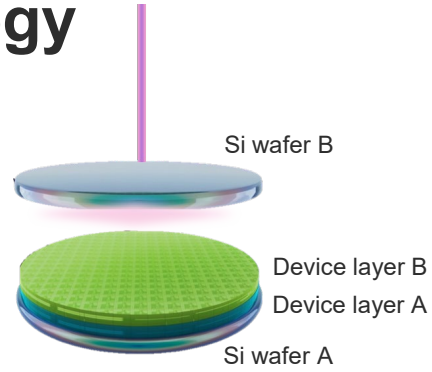


Higher Throughput
High productivity, Reliability

Save Water
Reducing DIW to 70% or more

Introducing Ulucus™ LX for Post-Wafer Bonding Process

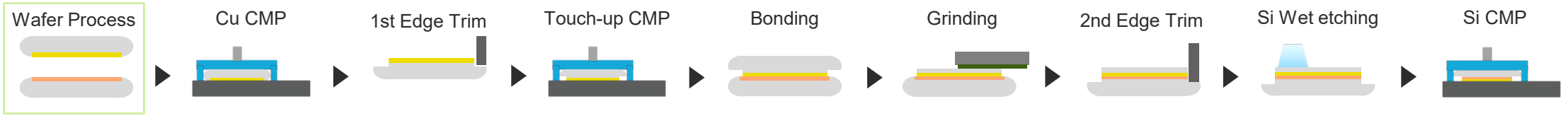
- **Extreme laser lift-off (XLO) technology**
  - Advanced thinning and critical technology for post-wafer bonding process
  - Unique laser technology enables separation of the Si-substrate from the device layer



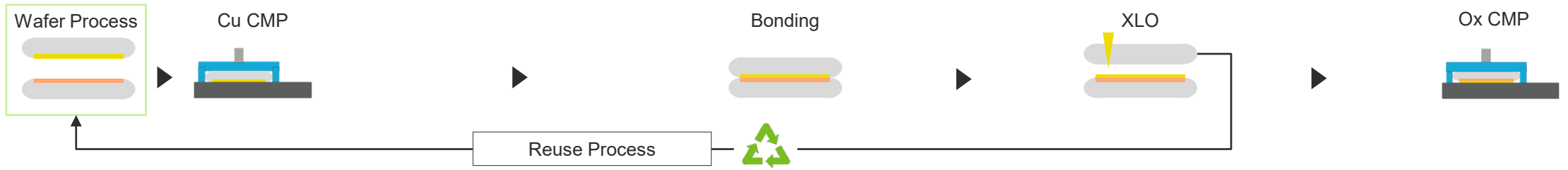
- **Advantages for process and environment**
  - Enhanced efficiency in silicon active areas
  - Fewer process steps required
  - Reduced need for DI water usage and CO_2 emission
  - Opportunity for wafer reuse
- **Equipment released in December 2024**

Ulucus™ LX Advantages

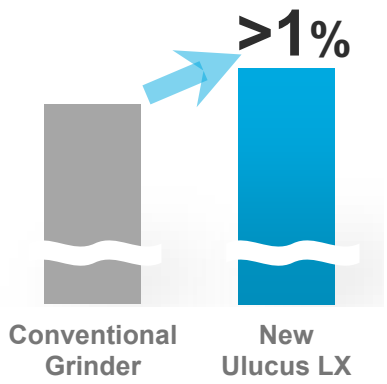
Permanent Bonding Process with Grinding & Blade Edge Trimming (Conventional)



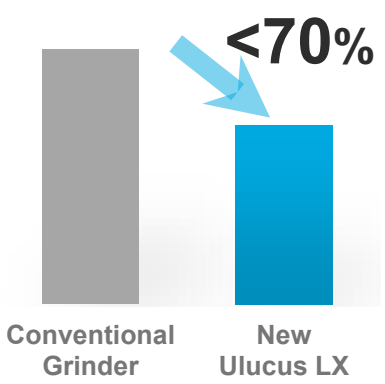
Permanent Bonding Process with XLO (Extreme Laser Lift Off)



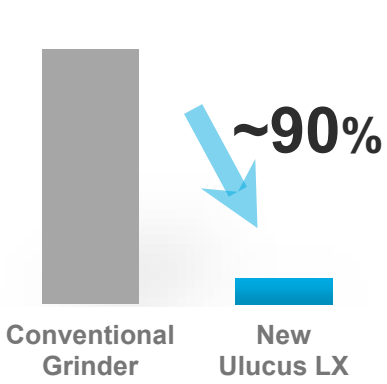
Active Silicon Area



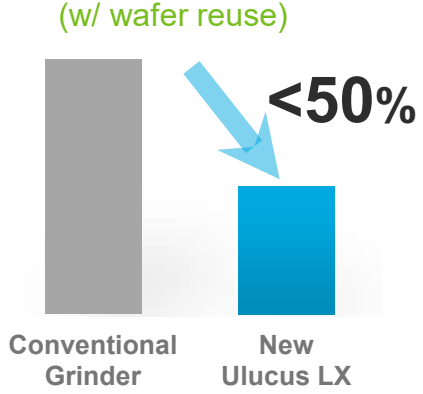
of Process Steps



DIW* Usage



CO_2 Emission
(w/ wafer reuse)



No Silicon Sludge
→ Advantage Over Grinder

Source: TEL

* DIW : De-ionized Water

8. MAGIC Market and Field Solutions Business Initiatives

MAGIC market

- Expected market growth of 2x
  (approximately $25B in 2023, projected $50B in 2030)
- Developing and supplying equipment for MAGIC
- Demo line ready for 200mm MAGIC
  - Yamanashi, Kumamoto, Miyagi
  - Massachusetts, Minnesota, Florida

Equipment for Mature Generations

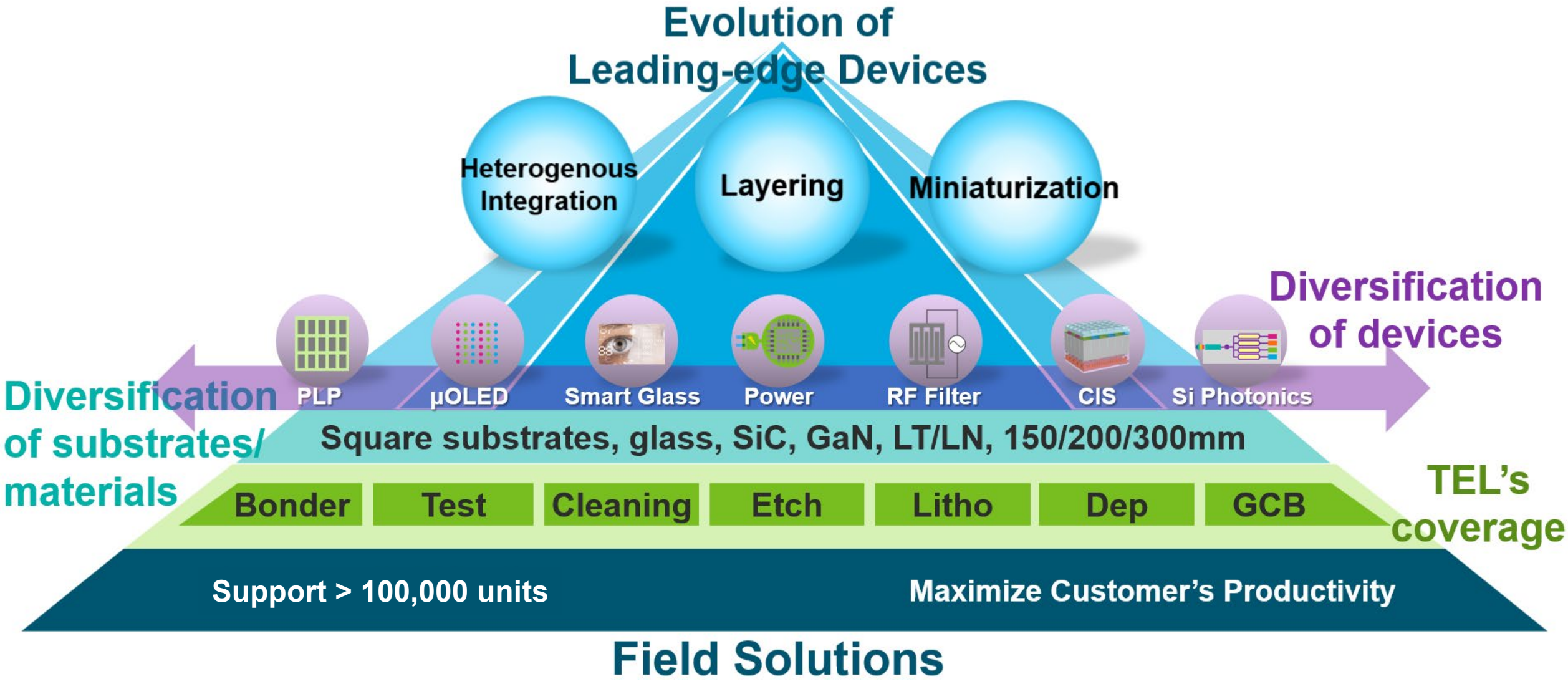
- Reengineered equipment for 200mm wafer
  - Thermal deposition systems, coater/developer, etch systems, etc.
  - Sales expansions not only for replacement demand of existing customers, for emerging customers and for emerging applications

- Equipment for power devices
  - Equipment for SiC wafer, 300mm etch system
  - Respond to the demand for power devices, such as for representative automotive, expanding usage across various fields.

SiC epitaxial CVD system

By integrating our technological assets with new technologies, improve productivity and reduce impact on the environment

Providing Diverse Systems and Solutions for Diverse Needs

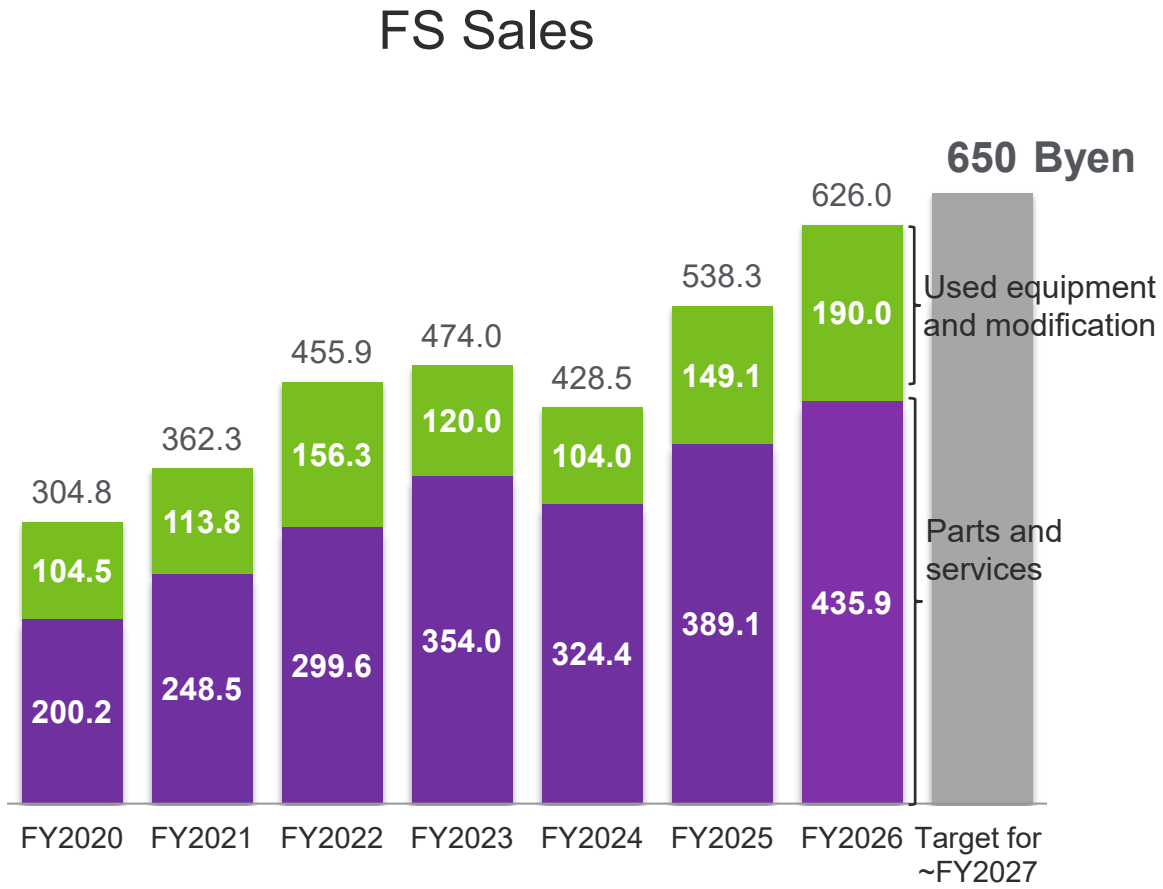


Basic Strategy for Field Solutions (FS)

- Deploying solution business based on installed base
- Development and promotion of advanced Field Solutions
  - Providing leading-edge and sustainable support that utilizes the latest technology, such as DX
  - Development of remote maintenance support and training tools
- Enhancing the front-lines engineers and capabilities
  - Continuous skill improvement for field engineers

Support customers to maximize their business operations through services with high added value

Field Solutions (FS) Sales Results and Business Contents



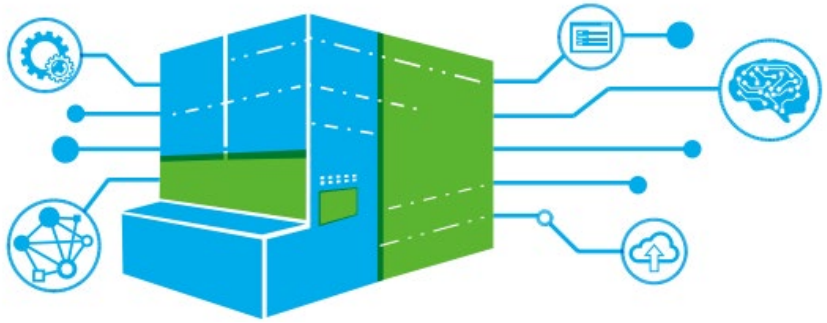
- Parts and repair
  - Predictive maintenance for parts deterioration
  - Appropriate parts inventory management and prompt delivery
- Services
  - Providing “comprehensive contract type” services that encompass everything from equipment delivery to after-care maintenance
  - Proposing solutions that address customer demands and maximizing equipment utilization rates
- Modification
  - Productivity improvement
  - Yield improvement

SAM is expanding with 100,000*1 installed base currently and increasing by approx. 4,000 to 6,000 units each year

*1 As of March 2026

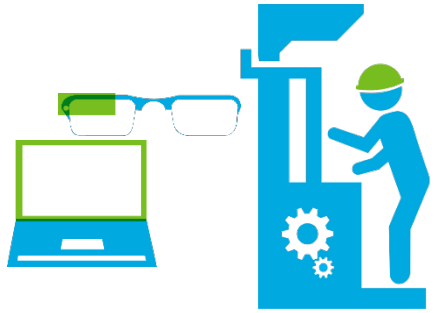
Advanced Field Solutions

TELeMetrics™



- Monitoring data on individual equipment
- Knowledge management and accumulation of problem case studies

Remote Support



- Minimization of downtime through predictive maintenance of equipment
- Remote support that enables prompt response even under travel restrictions

Proposing solutions with high added value
centered around “TELeMetrics™” that utilize DX

9. Digital Transformation (DX) Initiatives

Leveraging DX in each step of Product Lifecycle

Best Product Dev. | Start up / Process Ramp up | Production | Best Service Delivery

MI* (Materials Informatics)

Self-diagnostics (Sensors)

Robotics

PI* (Process Informatics)

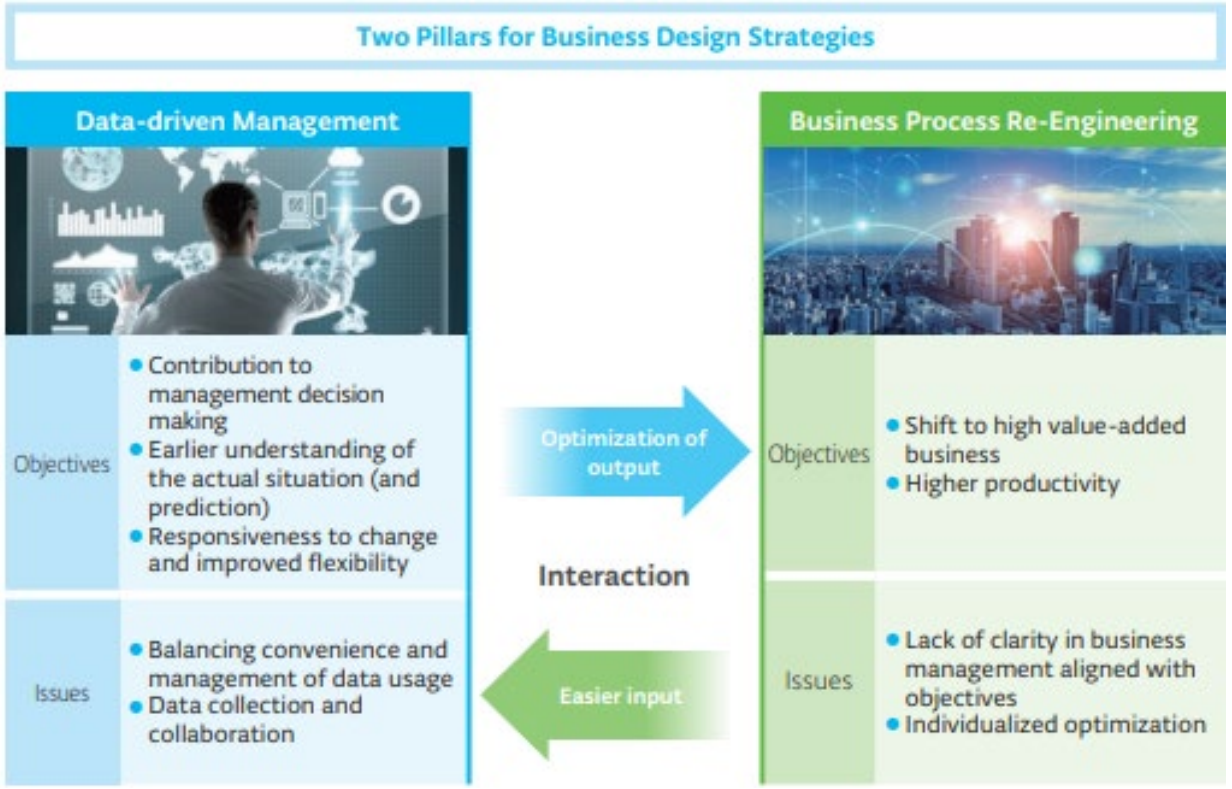
High Throughput Platform

AR/VR

Developing digital enablers for use throughout Product Lifecycle (PLC) to leverage productivity and profitability

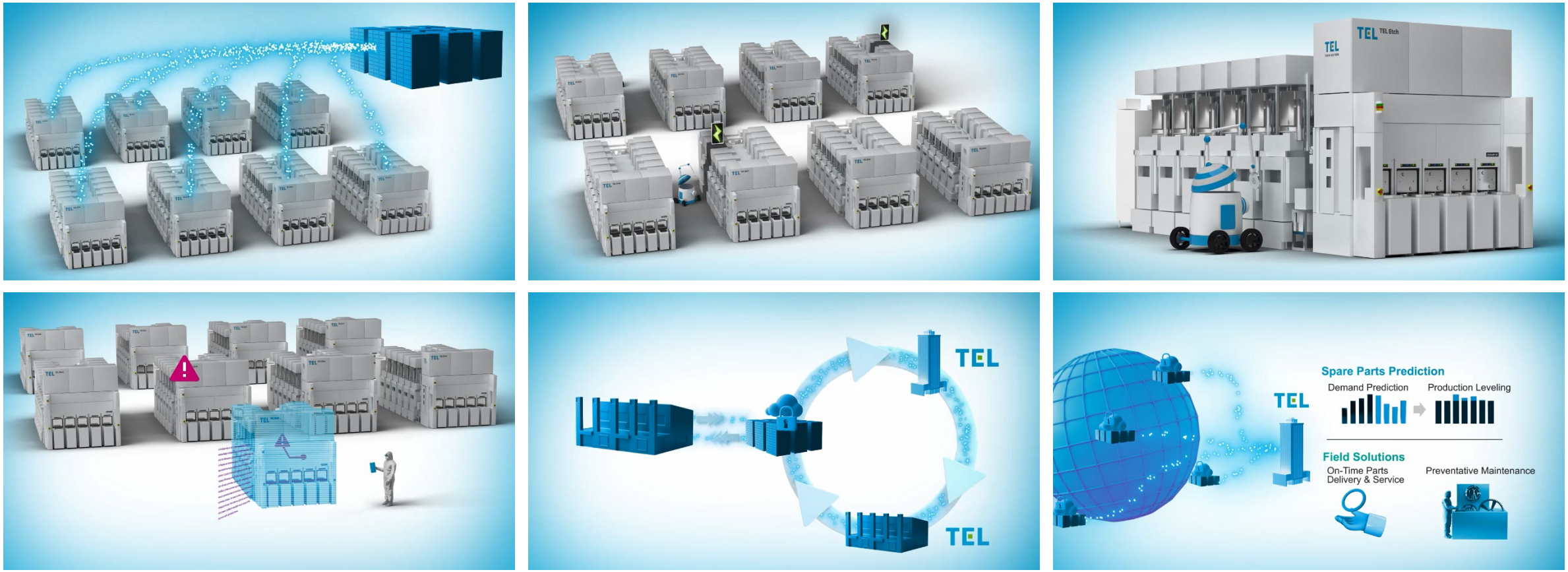
*MI: a method that leverages material databases and AI to develop new material and to predict material properties effectively.
*PI: a method that uses data and machine learning from manufacturing and chemical processes to optimize operations, detect anomalies, and improve quality.

Leveraging DX in Business Operations



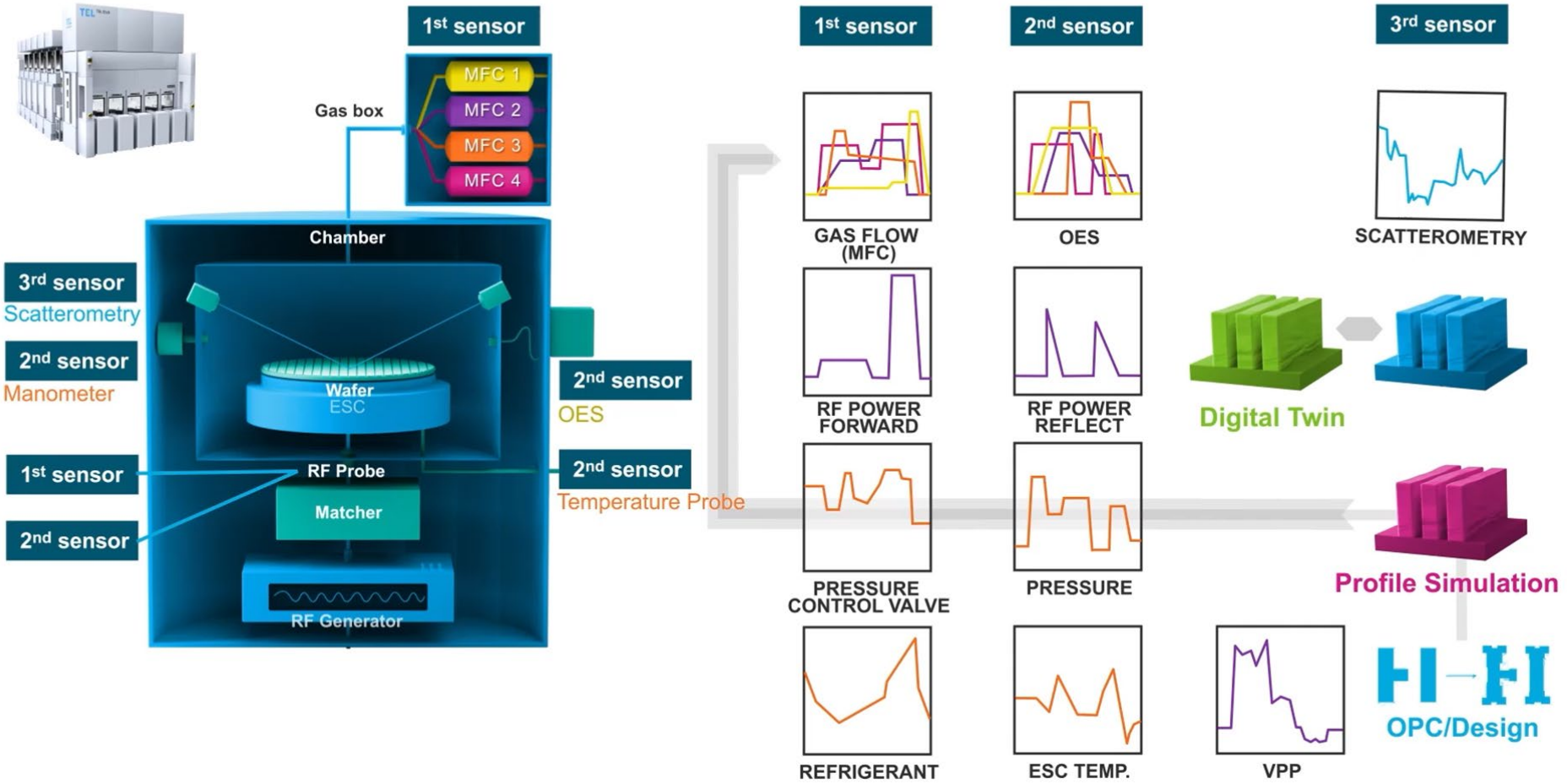
- Business Process Design Strategy Division
  - Promote DX through the reciprocity between data-driven management and business process re-engineering.
  - Create environments that utilize digital technologies such as generative AI.
  - Cultivate a DX culture through change management and promote sustainable growth.

Example Activity 1: Digital Technologies to Increase Customer Value in Etch Equipment



Aiming to maximize customer value using all digital technologies

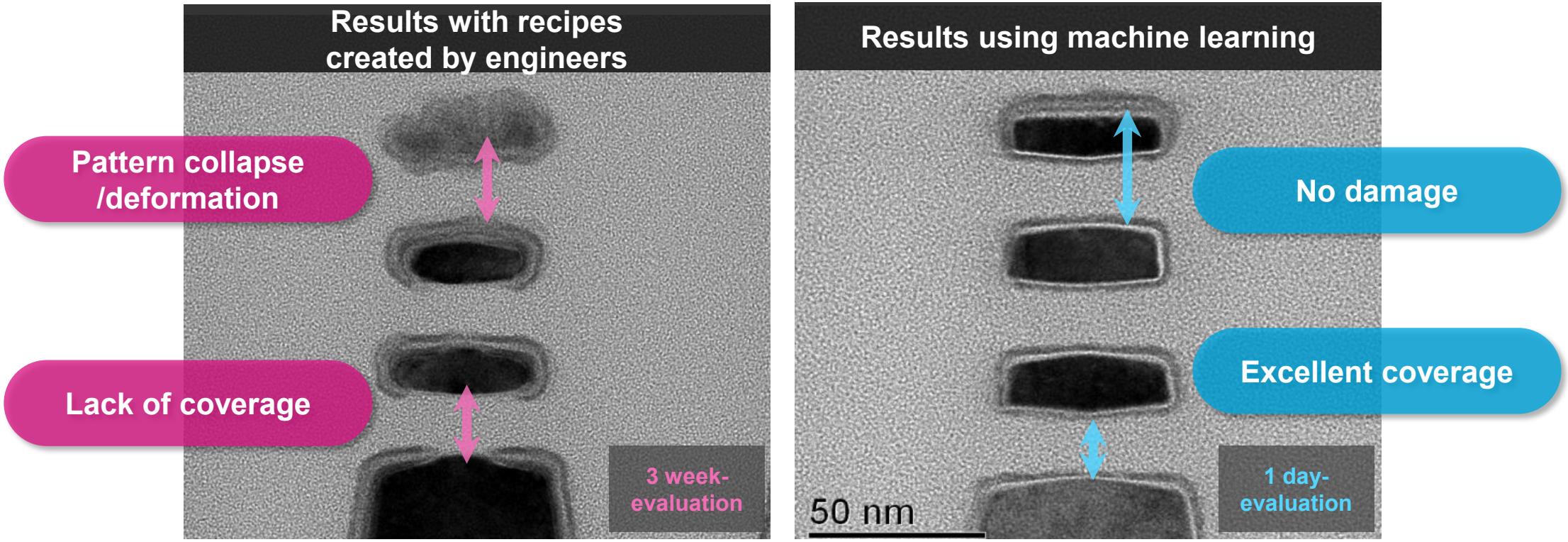
Example Activity 2: Digital Technologies to Increase Customer Value in Etch Equipment



Aiming to maximize customer value using all digital technologies

Example Activity 3: Increasing Productivity of R&D

Process Informatics

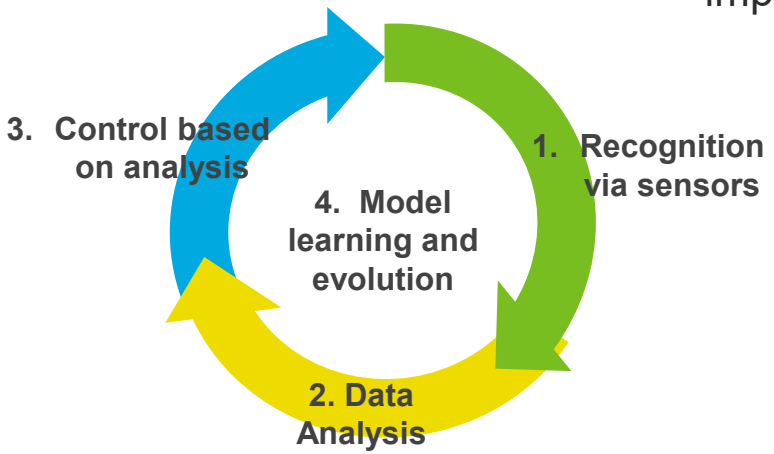


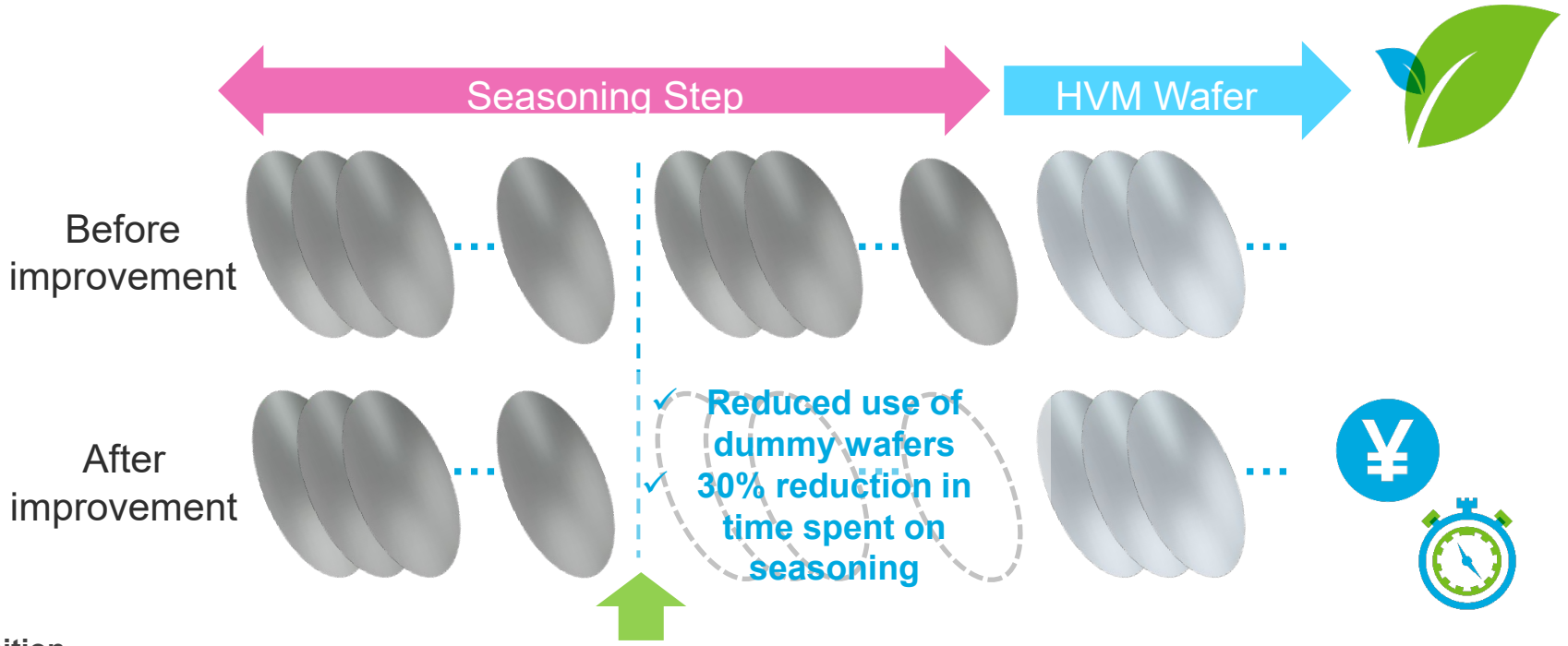
Source: Tokyo Electron Technology Solutions Limited / Tokyo Electron Limited

Achieved good step coverage with no pattern deformation in the ALD process by machine learning

Example Activity 4: Increasing Productivity of Equipment

Improving Utilization of Etch Equipment





Seasoning at the right time with endpoint detection

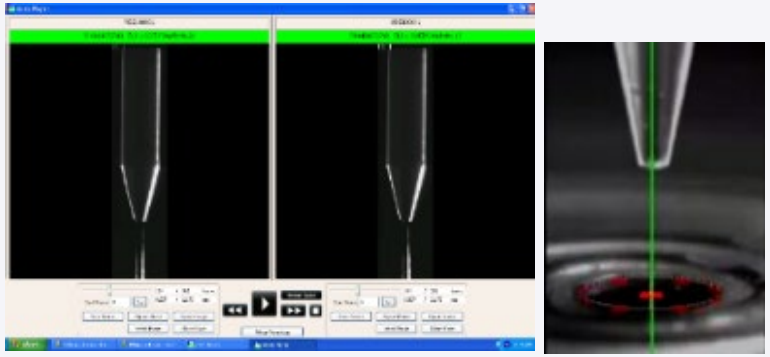
*ISSM 2020, from "Seasoning Optimization by using Optical Emission Spectroscopy," published by the Company

Feedback from the sensor provided an appropriate understanding of chamber conditions and improved utilization of equipment

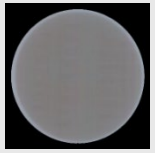
Example Activity 5: Increasing Operation Cost of Equipment

Reducing Chemicals of Coater/Developer

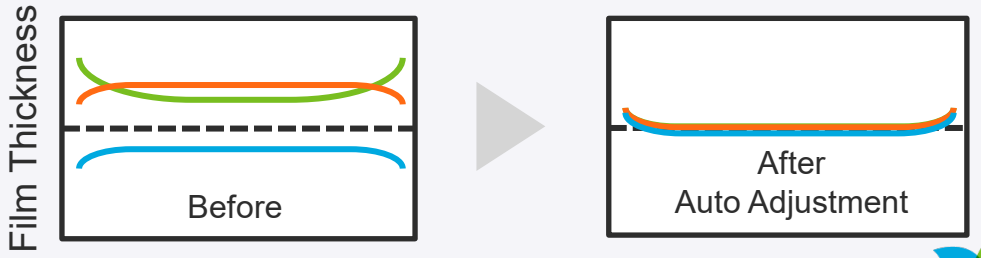
Monitoring of chemical discharge status
using image processing technology

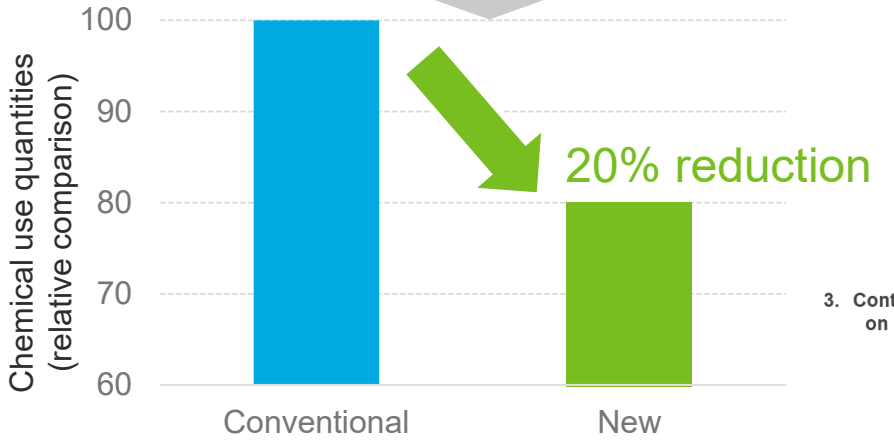


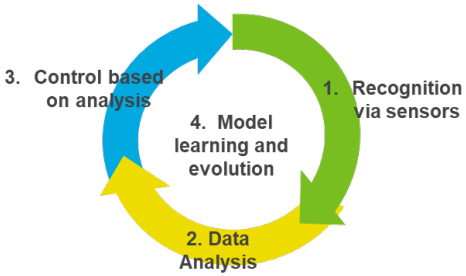
Monitoring of chemical coverage of interior of surfaces
using image processing technology

Dispense Volume	X ml	Y ml	Z ml	A ml
Judgement	Passed	Passed	Failed	Failed
Wafer image				

Automatic film thickness adjustment function

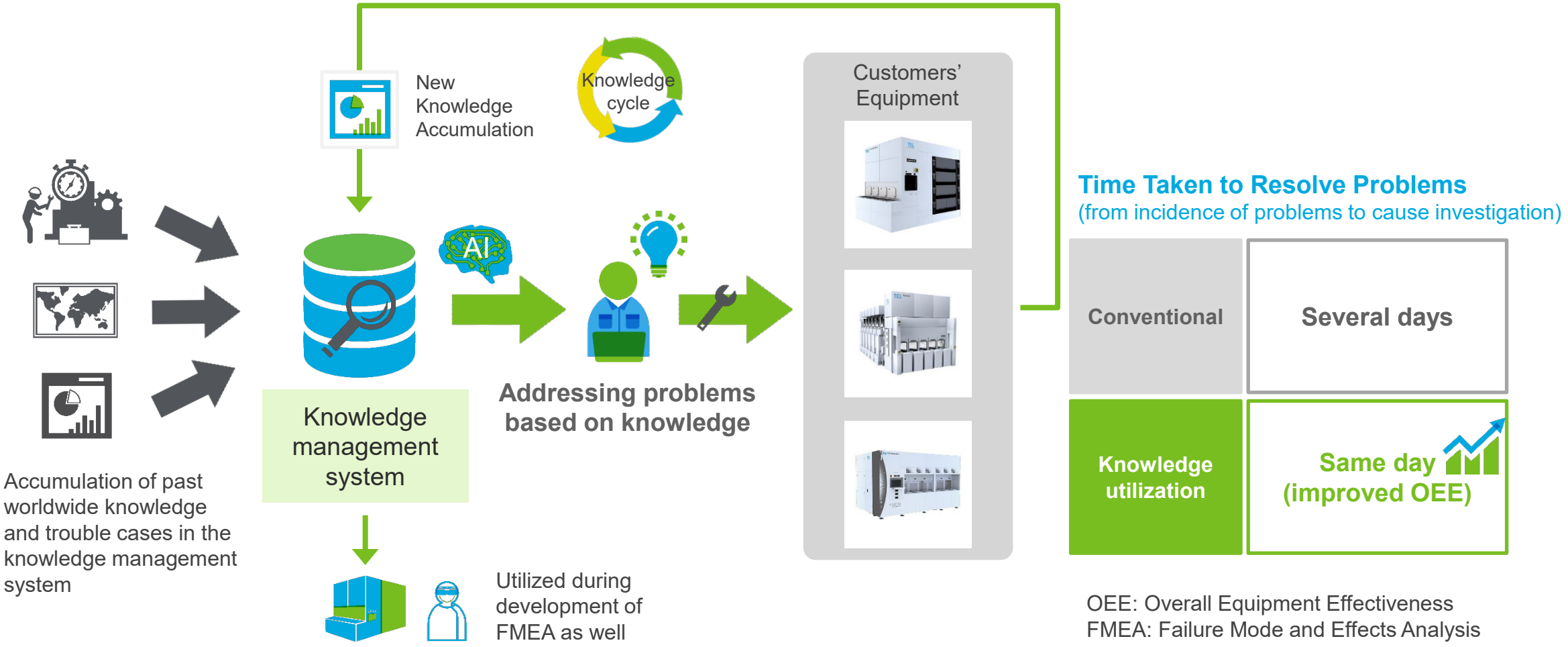






Contributed to customer operation costs
and the environment by using machine learning

Example Activity 6: Improving Overall Equipment Effectiveness



Time Taken to Resolve Problems
(from incidence of problems to cause investigation)

Conventional	Several days
Knowledge utilization	Same day (improved OEE)

OEE: Overall Equipment Effectiveness
FMEA: Failure Mode and Effects Analysis

Using the Knowledge Management System to reduce the time taken to resolve problems and improve equipment operation rates

Example Activity 7: Leveraging DX in Field Solutions

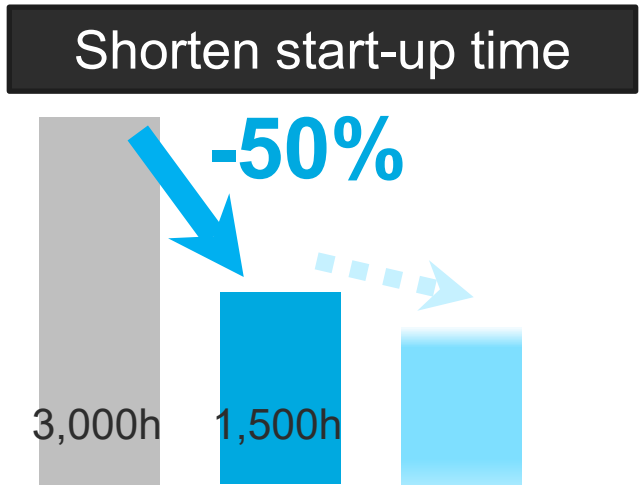
Maximize work efficiency for startup and maintenance in the Clean Room by using smart glasses and remote expert support. Use of AR/VR and DX including digital twin technology.

Use of robots for parts replacement without human assistance is expected to minimize downtime and improve the quality of engineering work.

10. Procurement and Manufacturing Strategy

Continuous Production Innovation in Pursuit of Safety, High Quality and High Reliability

- Build a production system able to quickly respond to market changes
- Shorten time from new product development to mass production
- Shorten production lead times: Achieve 100% module shipment
- Utilize DX and automation in manufacturing, and expand automated warehouse
- **Significantly reduce equipment start-up time (One-touch start-up)**
  - Reduce start-up time up to 75% (primary target), One-touch (final target)



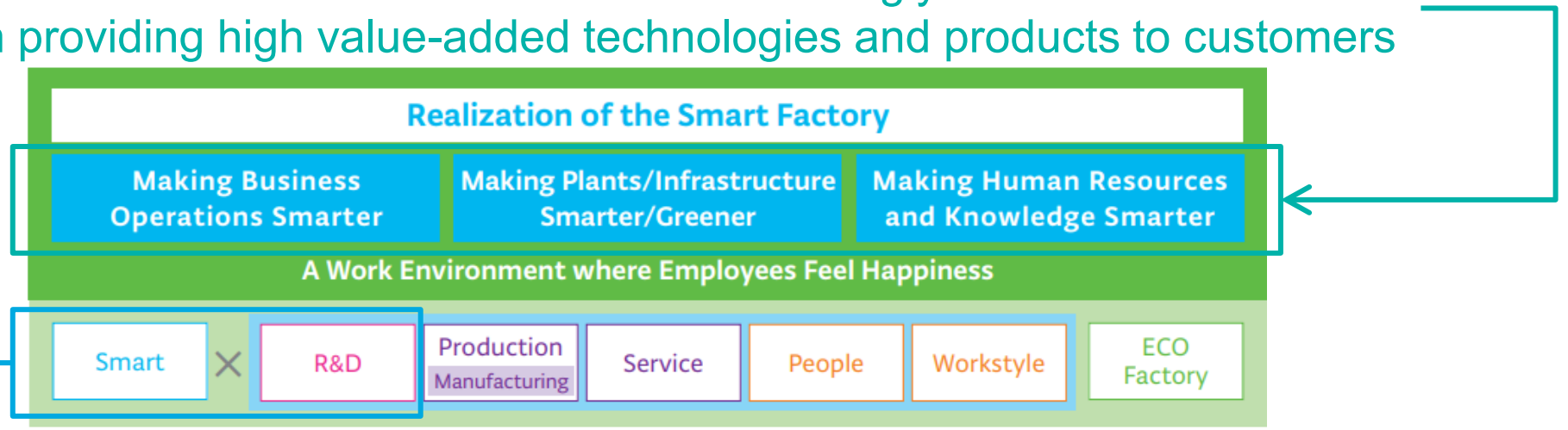
Conventional ➔ after production innovation

Expected outcome from shorten start-up time

- Enhance productivity and start-up quality
- Reduce accident risks
- Optimize resources and the work-life balance

An Initiative to Promote Shift Left: Smart Factory Concepts

Three elements that are increasingly crucial when providing high value-added technologies and products to customers



Various measures in place for the realization of Smart R&D

Example ①

Analyzing and utilizing internal data collected through DX creates an environment where inexperienced engineers can learn from the knowledge and experience of expert engineers at any time

➡Shorten the development period by providing timely feedback on the development of new products

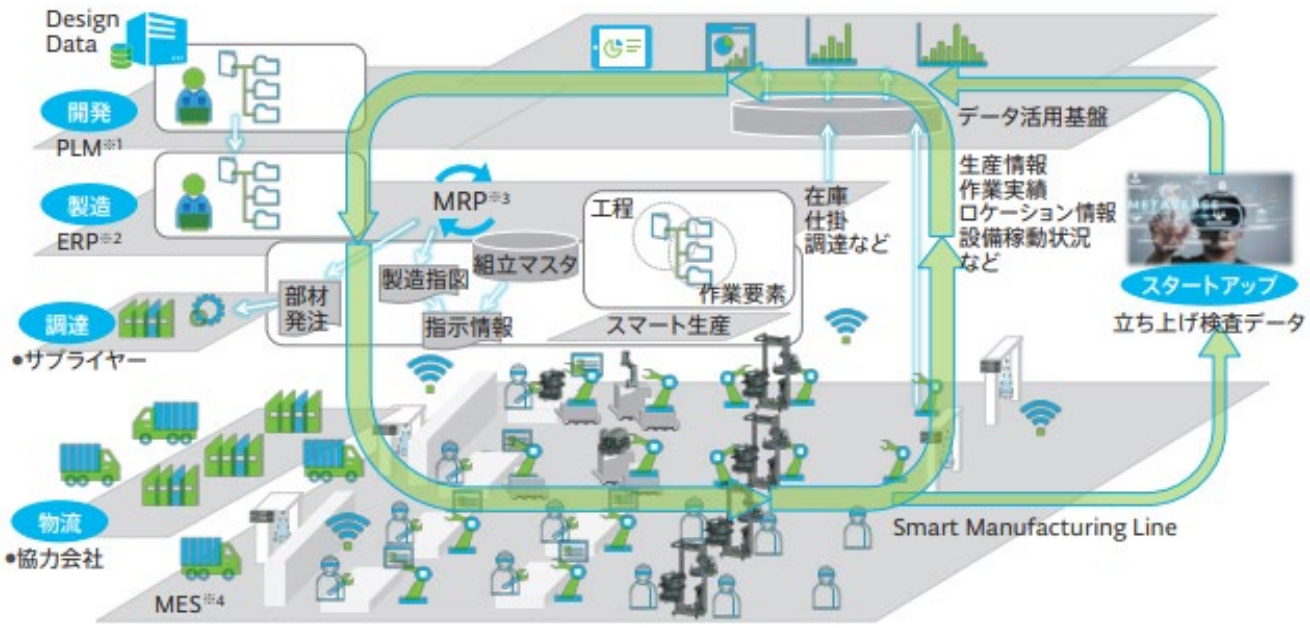
Example ②

Automating operations that engineers had repeatedly performed using digital technology

➡ Enabling employees to focus on work with high added value

Innovative Production Capabilities by DX : Smart Manufacturing

Striving to build superior production capabilities that enable optimal decision-making and immediate action through the cooperation and digitization of all production-related data in real time



※1 PLM: Product Lifecycle Management
※2 ERP: Enterprise Resource Planning
※3 MRP: Material Resource Planning
※4 MES: Manufacturing Execution System
※5 BOM: Bill of Material

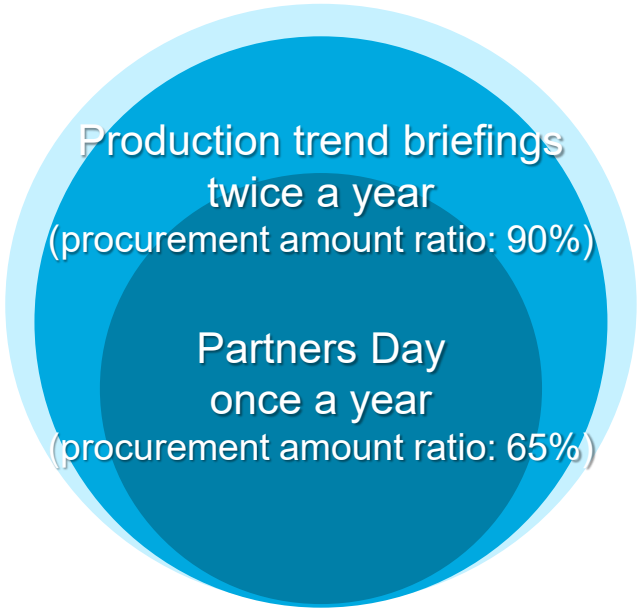
- Improve core system
  - Production leveling
  - Increase MPR processing capability for procurement
- Introduce PLM-DX and BOM※5 concept
  - Enhance production capability
  - Minimize manufacturing lead time
  - Increase design efficiency
  - Reduce new product development period by half

Smart R&D Concept

Leveraging Smart Manufacturing concept to realize efficient and stable cutting-edge manufacturing lines that produces high-quality products

Build a Sustainable Supply Chain

- Fair and transparent relationships and reliable trust relationship with our business partners
  - – Implement CSR/BCP assessments based on industry codes of conduct
  - – Share knowledge in such areas as safety, quality, the environment and compliance



E-COMPASS

Applaud environmental impact reduction activities, adding environmentally related items to assessment studies

- ✓ Reduce CO_2 emissions and the amount of energy usage
- ✓ Introduce renewable energy
- ✓ Promote resource conservation
- ✓ Promote waste reduction and recycling
- ✓ Promote activities for reducing the environmental impact of logistics

Procurement BCP and Proactive Procurement Activities

Mid- and long-term forecast
Promote “Shift Left” procurement strategy
Build BCP system resilient to procurement difficulty

Safety stock
Inventory liquidity

Oversee whole supply chain from upstream to downstream
Visualize and grasp risks

Visualize supply chain

Supply chain responsive to any kind of risks (Raw materials, parts, processing and assembly)
Strong and reliable supply chain

Risk management on business partners
Strengthen partnership

Measures for procurement BCP

Early procurement of parts

- Early procurement for long term
- Ensure inventory exchange flexibility among factories
- Inventory reductions in total

Secure semiconductor devices

- Secure semiconductor devices for our equipment
- Visualize and streamline distribution channel
- Collaborate with semiconductor makers

= TEL can be a customer of our customers

Parts and Suppliers

- Identify and analyze risk parts
- Multi sourcing of producing countries
- Standardization, centralization and decentralization of parts
- Measures to secure capacity for us

New Production Building Construction at Tokyo Electron Miyagi

- Total floor area: Approx. 88,600m^2 (planned; excluding the ancillary facility area)
- Structure: Steel frame structure with a base isolation system
- Number of floors: 5 above ground
- Construction cost: Approx. 104B yen
- Purpose: Manufacture of etch systems

Miyagi innovative Production Center
(Completion scheduled for summer 2027)

Realize the Smart Production concept
by automating logistics functions and mechanizing manufacturing processes
to provide high production capacity/quality/efficiency production lines

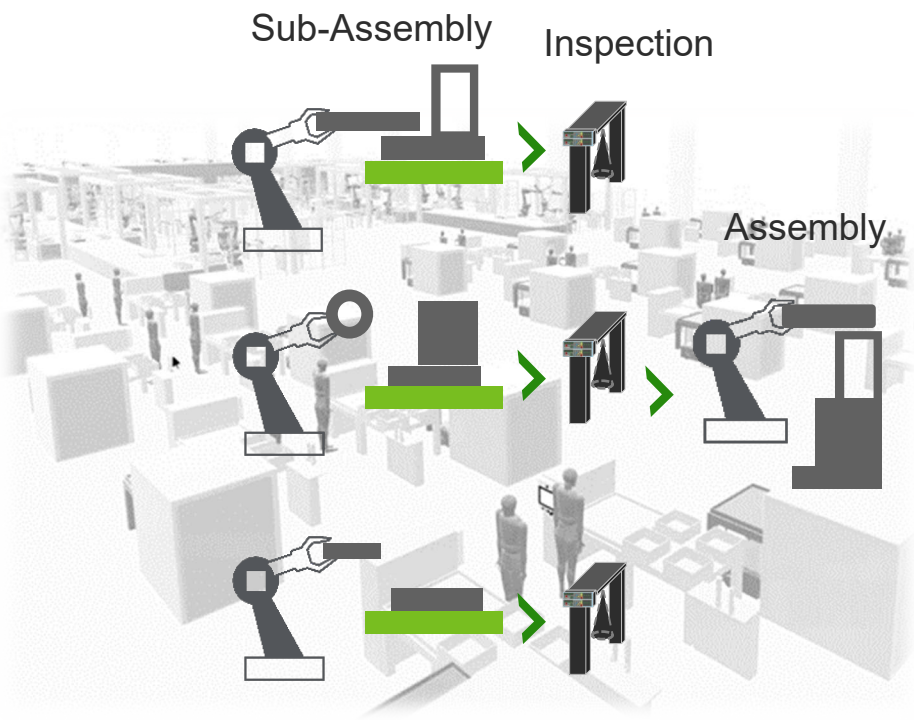
Smart Manufacturing to Achieve High Quality and Productivity

Development & Design

Feed Forward

Feedback

Smart Manufacturing



By centralizing development and production in TEL Miyagi,
we ensure continuous concurrent engineering and advanced manufacturing capabilities

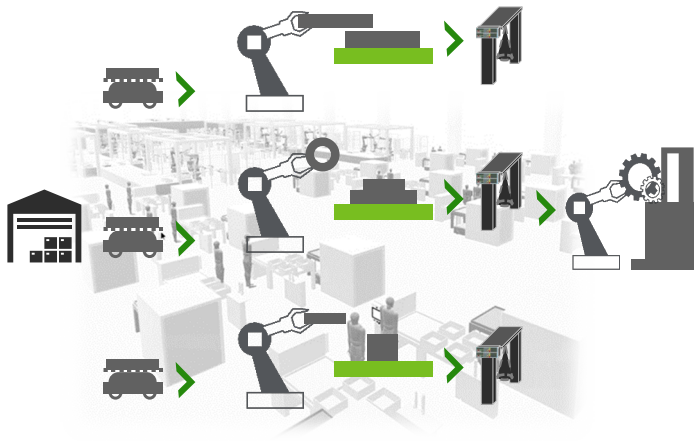
Vision for Smart Production

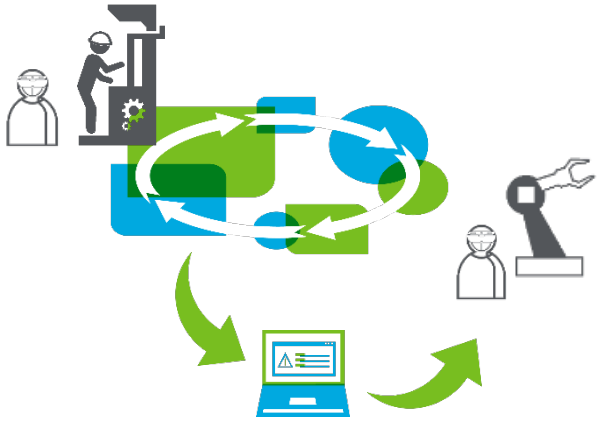
- Achieve sustainable manufacturing for the future

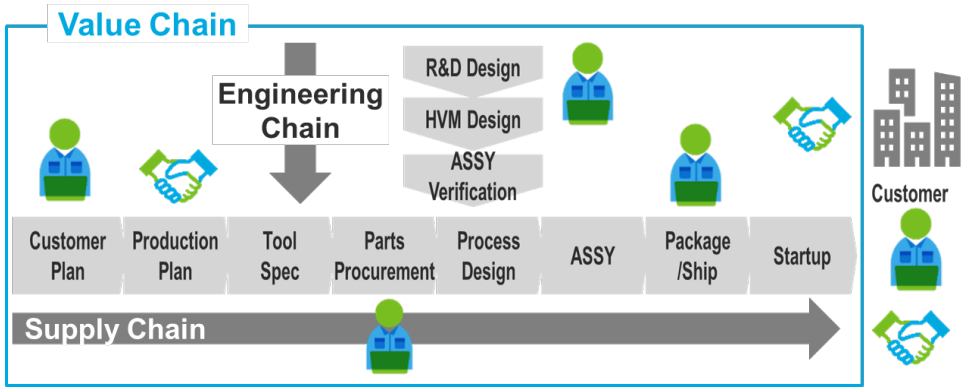
Overwhelming Efficiency
through automation and standardization

Enhancing Adaptability
to internal and external environmental changes

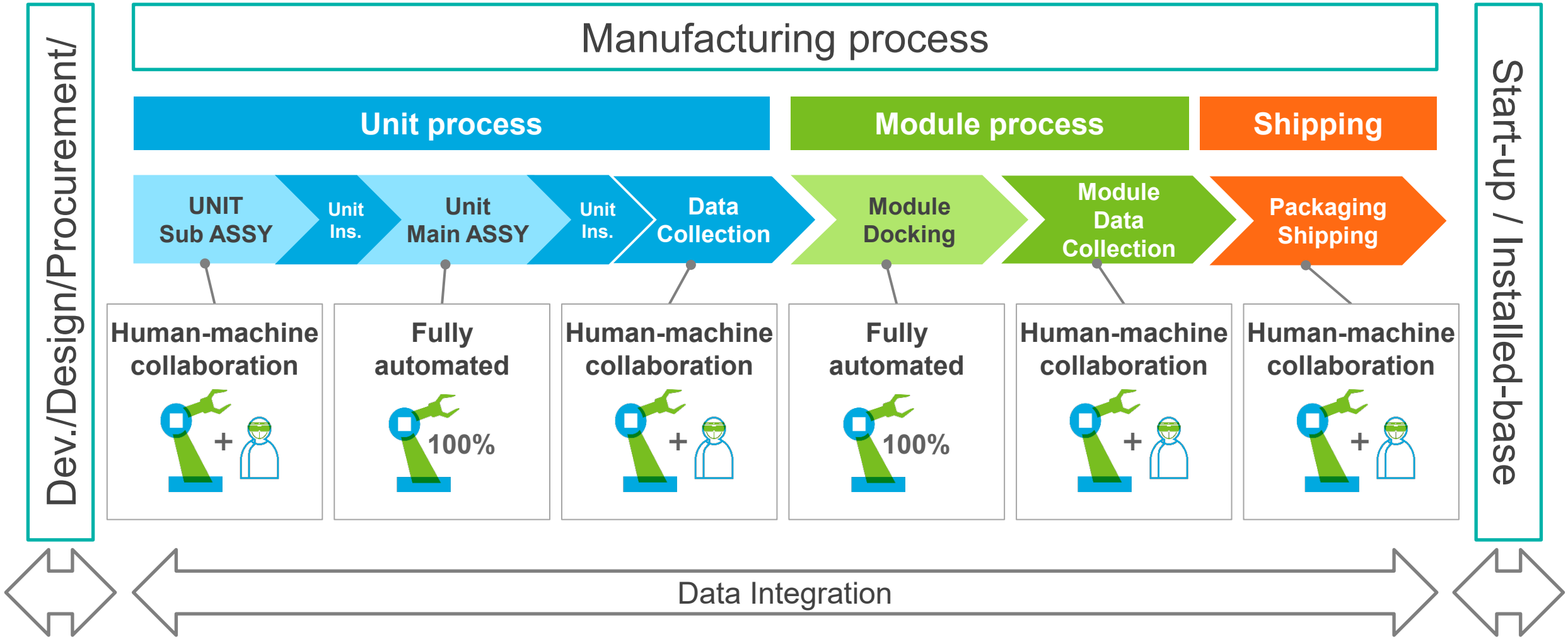
Product & Service Quality Improvement
through enhanced value chain







Concept of Smart Production



Appendix: Data Section

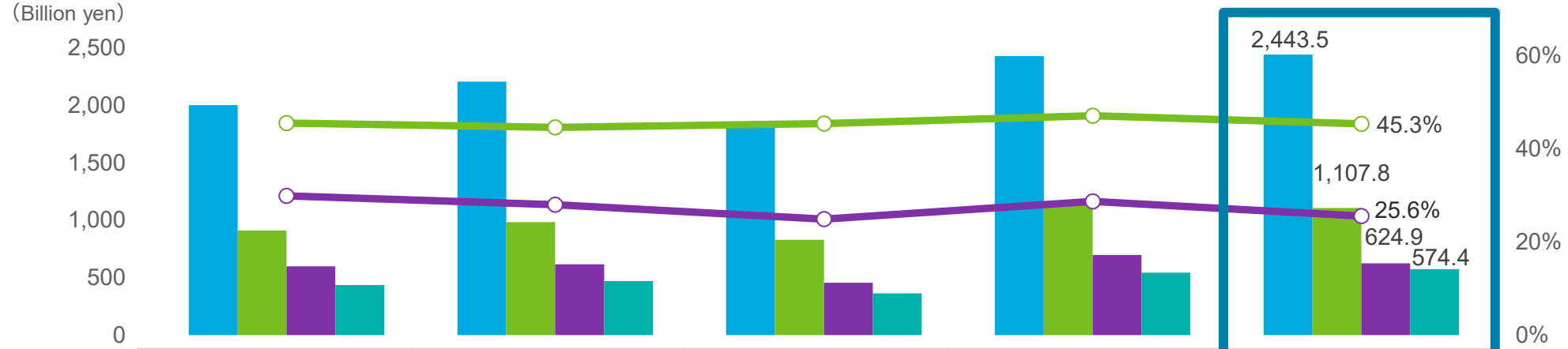
Financial Summary

(Billion yen)

	FY2025	FY2026	FY2026 vs FY2025	Reference: FY2026 estimates announced on February 6, 2026
Net sales	2,431.5	2,443.5	+0.5%	2,410.0
Gross profit	1,146.2	1,107.8	-3.4%	1,092.0
Gross profit margin	47.1%	45.3%	-1.8pts	45.3%
SG&A expenses	448.9	482.9	+7.6%	499.0
Operating income	697.3	624.9	-10.4%	593.0
Operating margin	28.7%	25.6%	-3.1pts	24.6%
Income before income taxes	706.1	748.1	+6.0%	714.0
Net income attributable to owners of parent	544.1	574.4	+5.6%	550.0
EPS (Yen)	1,182.40	1,254.57	+6.1%	1,200.05
R&D expenses	250.0	277.8	+11.1%	290.0
Capital expenditures	162.1	216.0	+33.2%	240.0
Depreciation and amortization	62.1	80.9	+30.3%	86.0

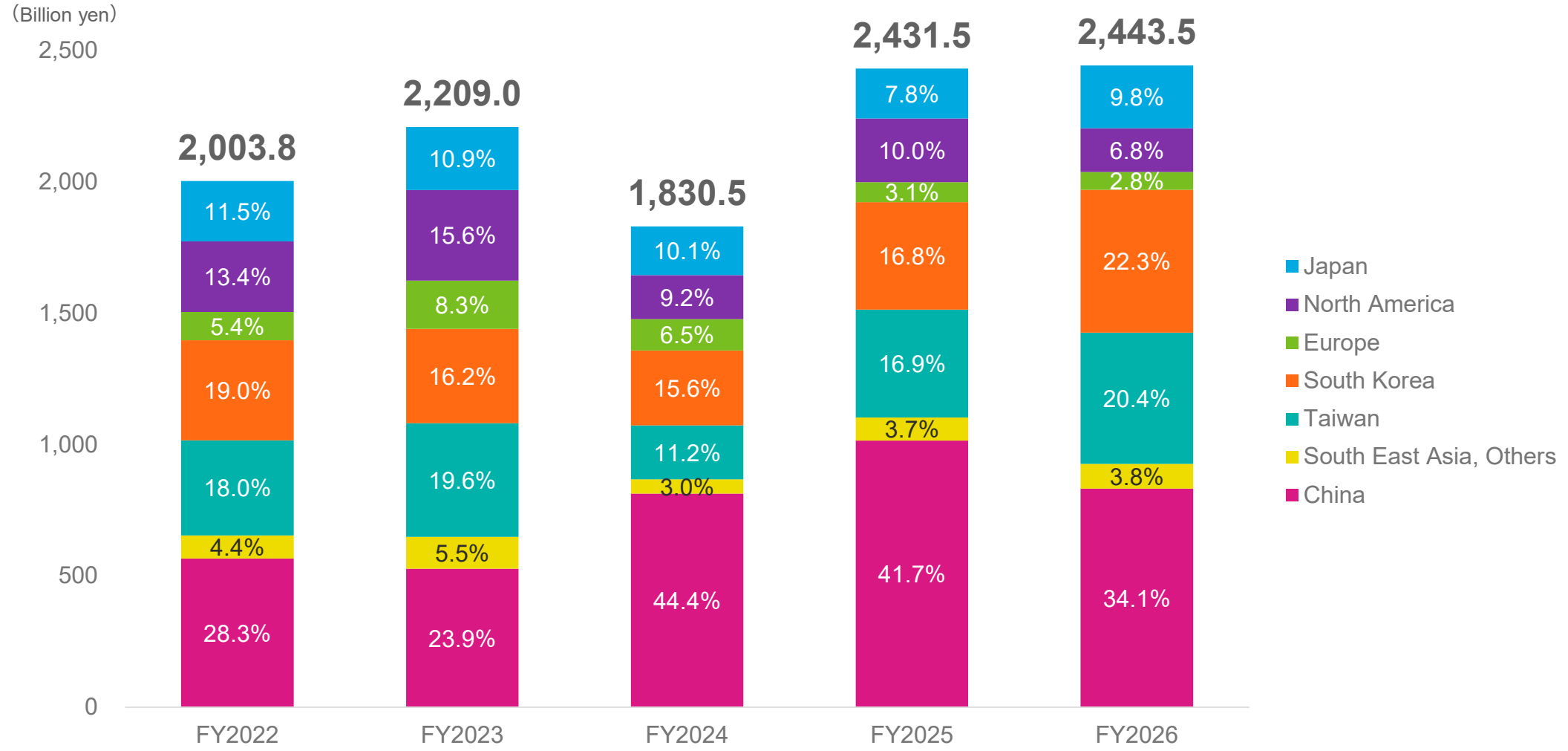
1. In principle, export sales of Tokyo Electron's products are denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of foreign exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.
2. Profit ratios are calculated using full amounts, before rounding.

Financial Trend



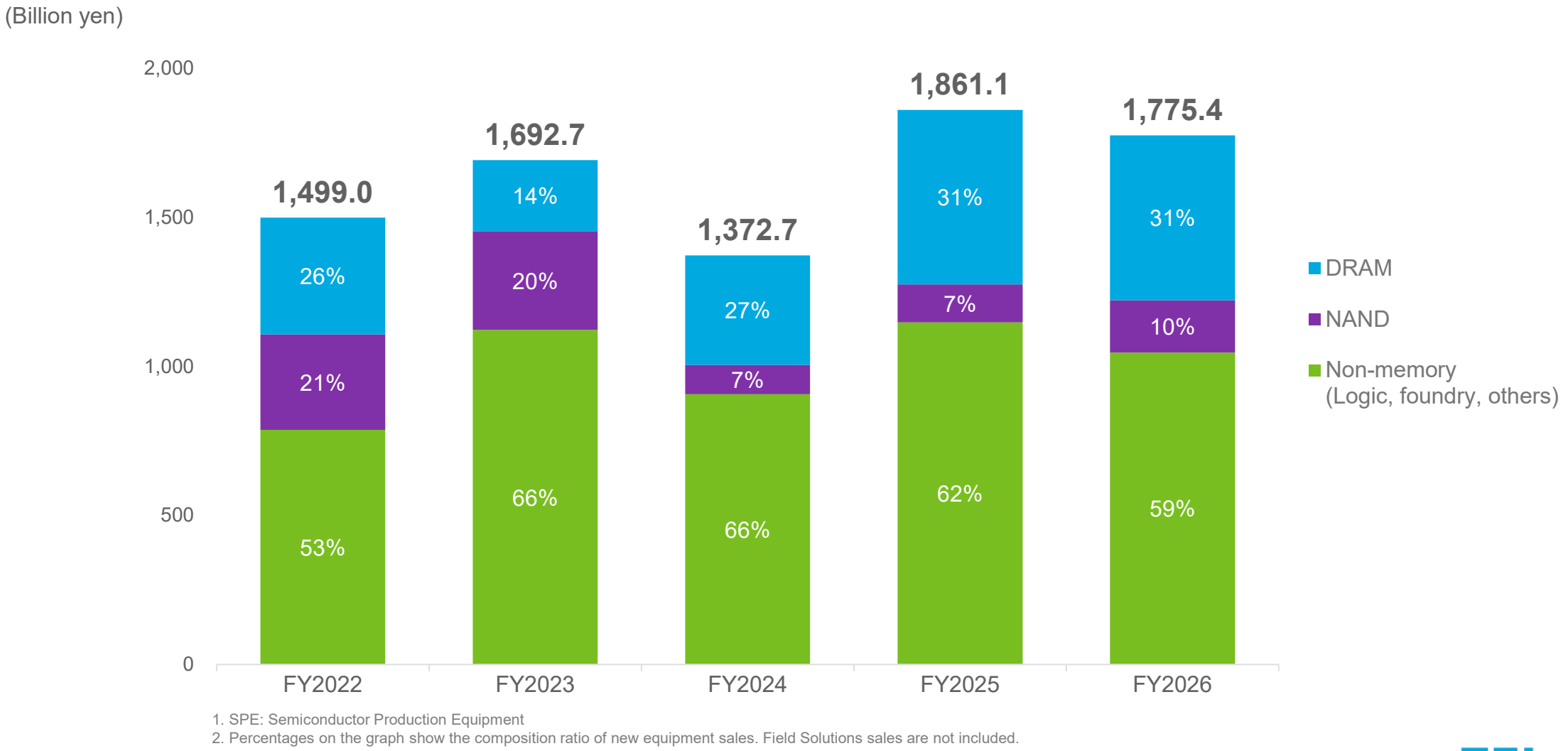
	FY2022	FY2023	FY2024	FY2025	FY2026
Net sales	2,003.8	2,209.0	1,830.5	2,431.5	**2,443.5**
Gross profit	911.8	984.4	830.2	1,146.2	**1,107.8**
Operating profit	599.2	617.7	456.2	697.3	**624.9**
Net income attributable to owners of parent	437.0	471.5	363.9	544.1	**574.4**
Gross profit margin	45.5%	44.6%	45.4%	47.1%	**45.3%**
Operating margin	29.9%	28.0%	24.9%	28.7%	**25.6%**
ROE	37.2%	32.3%	21.8%	30.3%	**29.6%**

Sales by Region



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 Application



1. SPE: Semiconductor Production Equipment
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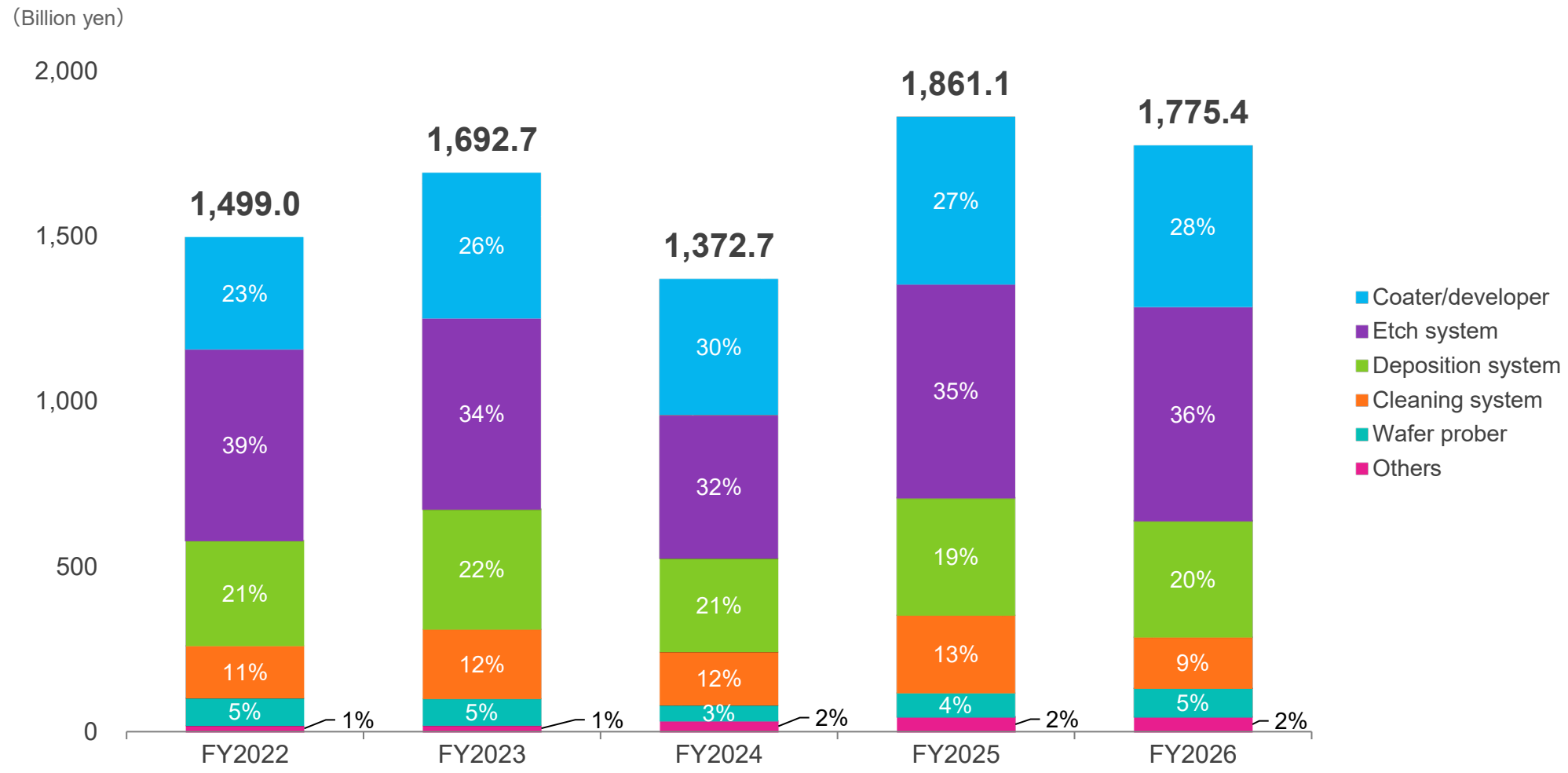
SPE New Equipment Sales by Product



1. SPE: Semiconductor Production Equipment
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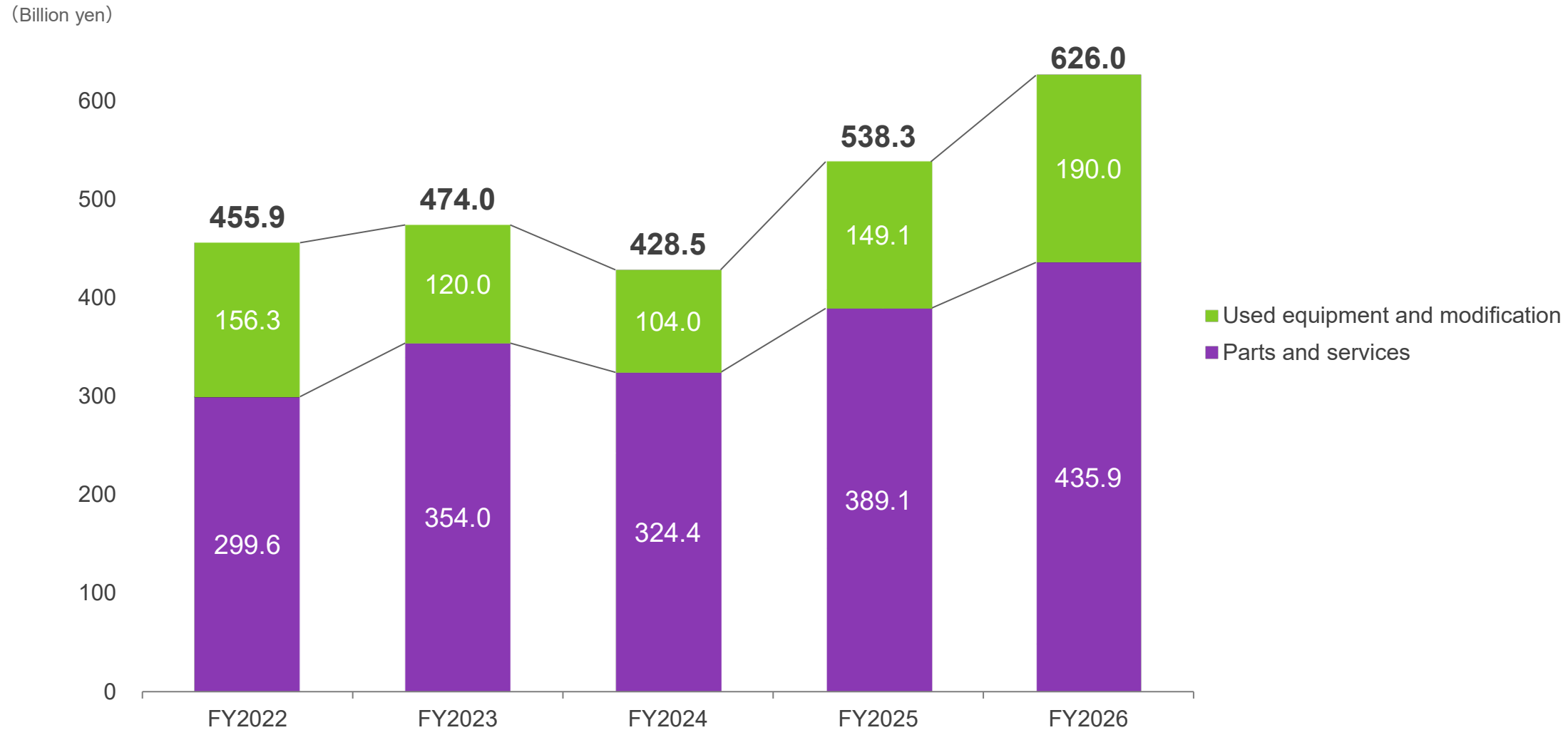
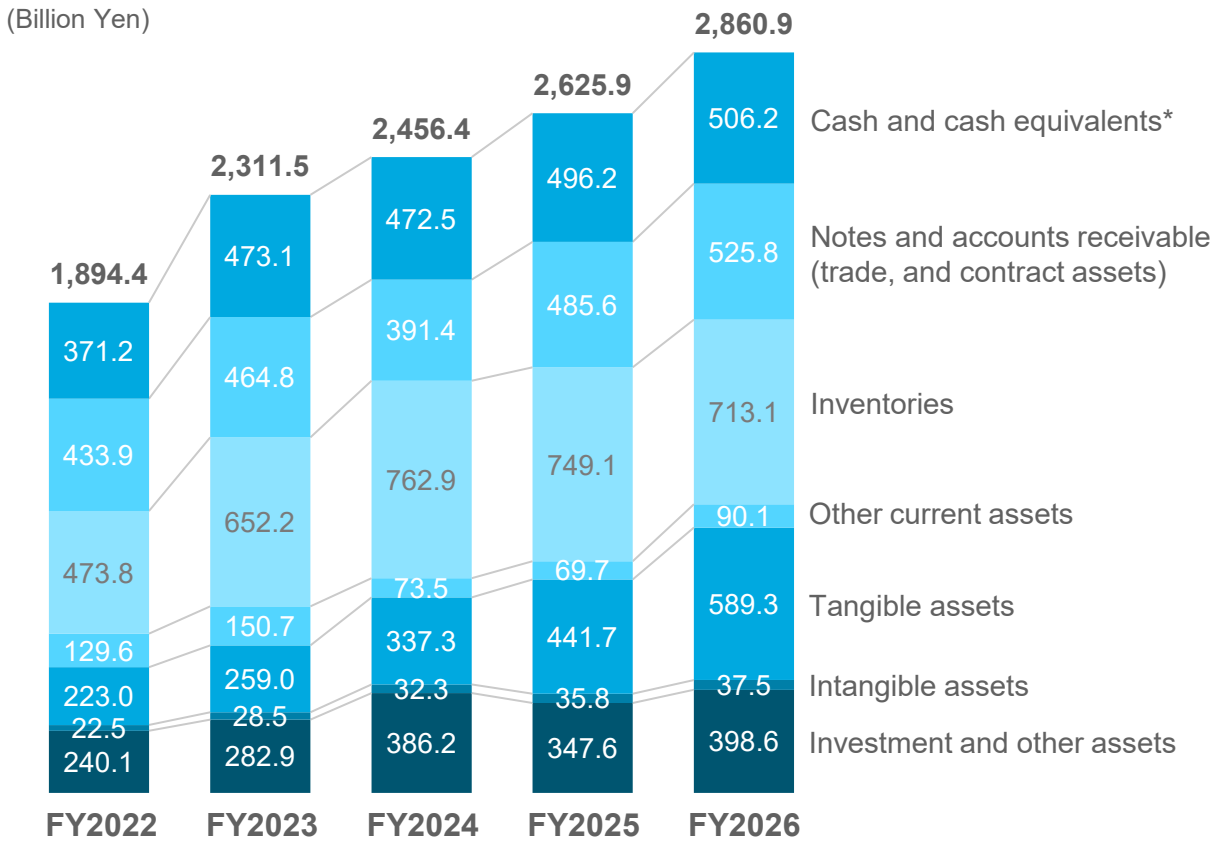
Field Solutions Sales

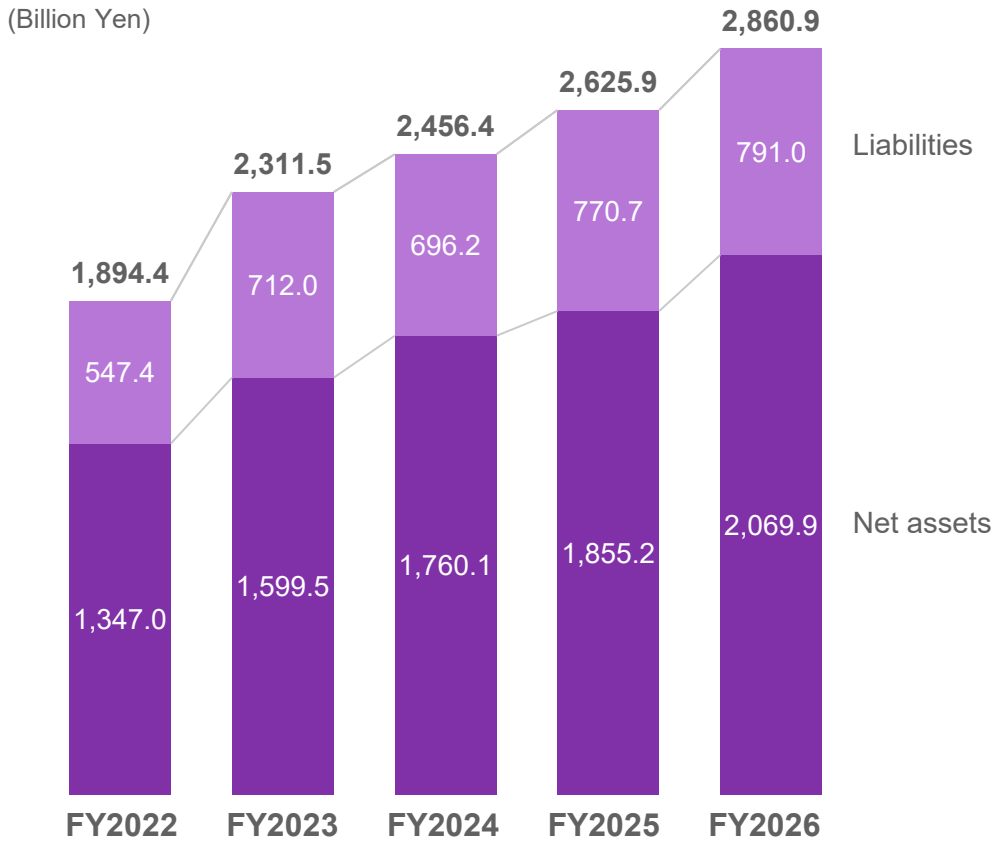


Balance Sheet

Assets

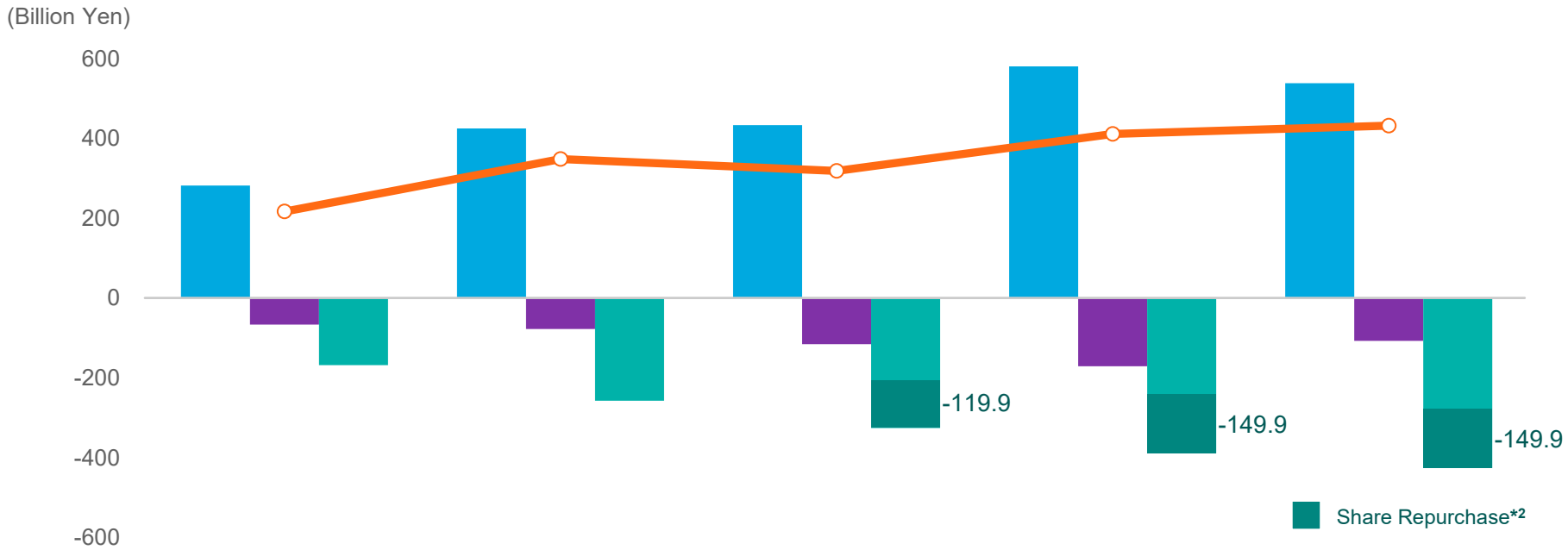


Liabilities and Net Assets



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

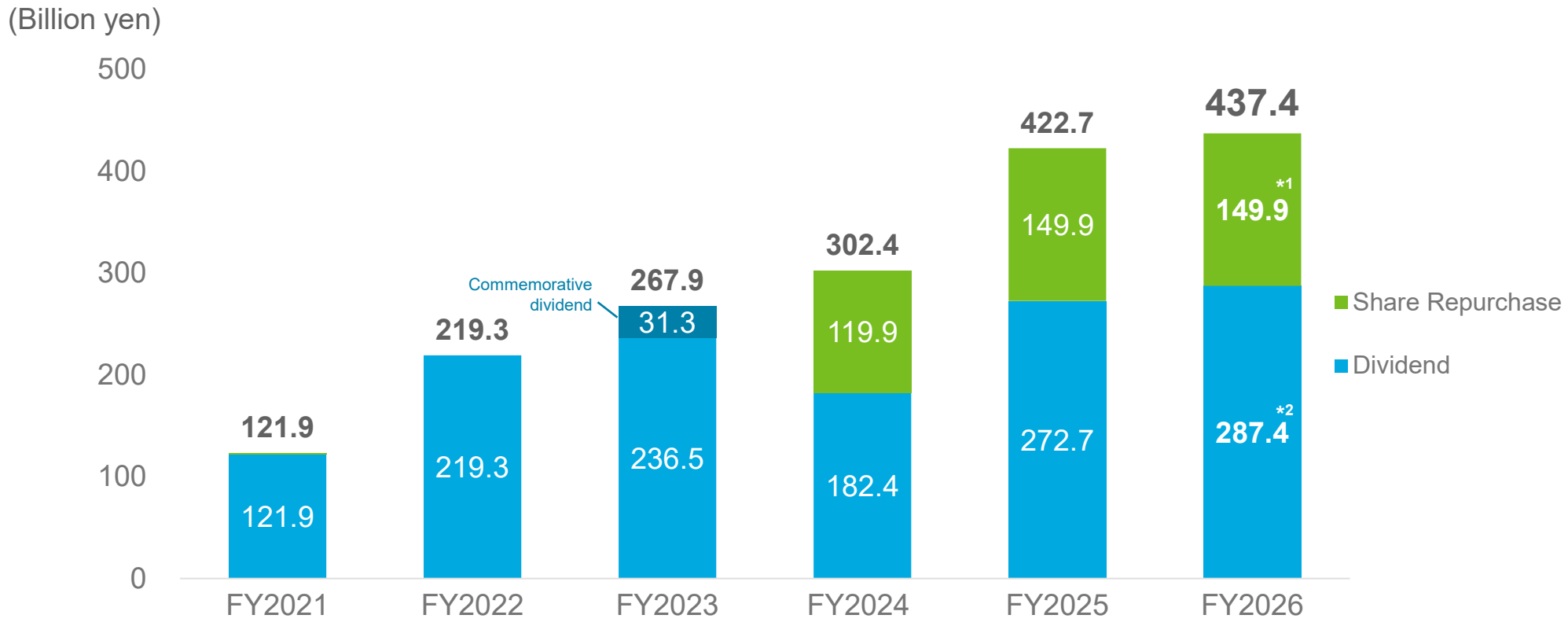
Cash Flow



	FY2022	FY2023	FY2024	FY2025	FY2026
Cash flow from operating activities	283.3	426.2	434.7	582.1	539.7
Cash flow from investing activities*1	-65.6	-76.7	-115.0	-169.7	-106.4
Cash flow from financing activities	-167.2	-256.5	-325.0	-388.8	-425.3
Free cash flow*3	217.7	349.4	319.6	412.4	433.2
Cash on hand*4	371.2	473.1	472.5	496.2	506.2

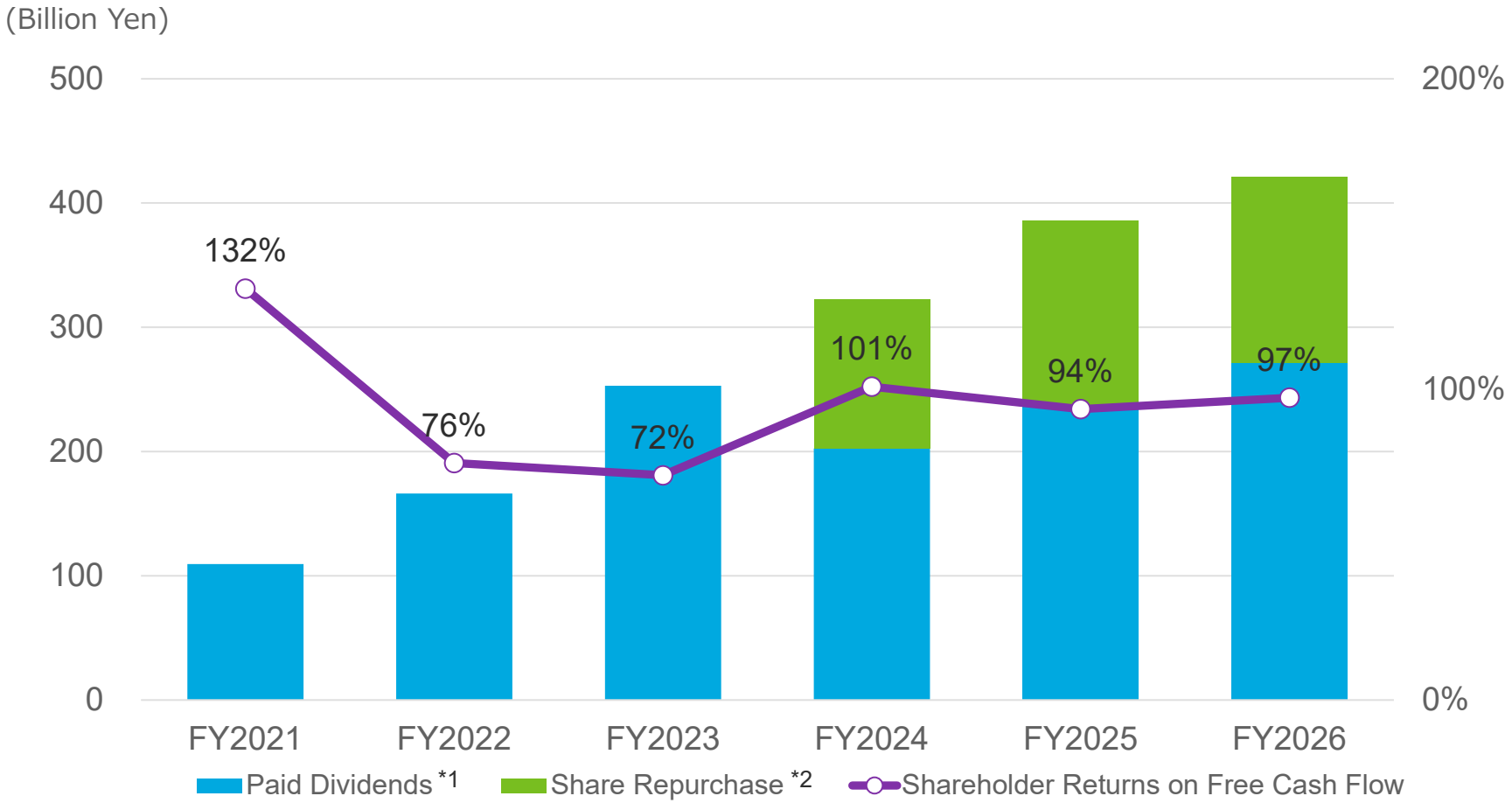
*1 Cash flow from investing activities excludes changes in time deposits and short-term investments.
*2 The amount for share repurchase excludes the cost incurred to purchase odd-lot shares.
*3 Free cash flow = “Cash flow from operating activities” + “Cash flow from investing activities” (excluding changes in “Time deposits” and “Short-term investments”).
*4 Cash on hand includes “Cash and cash equivalents” + “Time deposits and short-term investments” with original maturities of more than three months.

Total Return Amount



*1 https://www.tel.com/news/ir/2026/kn008f00000000ho-att/20260327_002_e.pdf
*2 The year-end dividend for FY2026 is provisional and pending approval by the Board of Directors.

Shareholder Returns Trend



*1 Paid dividends are shown based on their payment date.

*2 The amount for share repurchase excludes the cost incurred to purchase odd-lot shares.

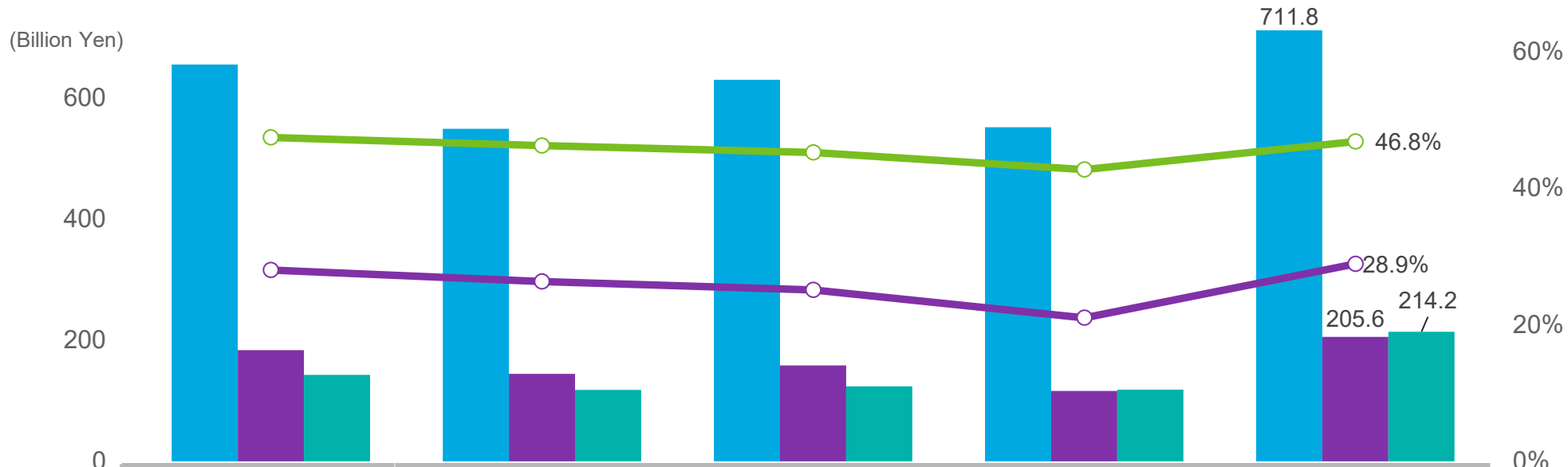
Financial Summary

(Billion yen)

	FY2025	FY2026				vs. FY2026 Q3	vs. FY2025 Q4
	Q4	Q1	Q2	Q3	Q4		
Net sales	655.4	549.5	630.0	552.0	**711.8**	+28.9%	+8.6%
Gross profit	310.5	253.9	284.8	235.8	**333.1**	+41.3%	+7.3%
Gross profit margin	47.4%	46.2%	45.2%	42.7%	**46.8%**	+4.1pts	-0.6pts
SG&A expenses	126.7	109.2	126.4	119.6	**127.5**	+6.6%	+0.6%
Operating income	183.7	144.6	158.4	116.1	**205.6**	+77.1%	+11.9%
Operating margin	28.0%	26.3%	25.1%	21.0%	**28.9%**	+7.9pts	+0.9pts
Income before income taxes	185.1	151.9	161.0	153.3	**281.8**	+83.8%	+52.2%
Net income attributable to owners of parent	142.9	117.8	123.8	118.5	**214.2**	+80.8%	+49.9%
R&D expenses	72.7	62.1	72.6	66.2	**76.7**	+15.9%	+5.6%
Capital expenditures	34.6	52.8	91.2	30.3	**41.6**	+37.3%	+20.4%
Depreciation and amortization	18.3	17.1	19.1	21.1	**23.5**	+11.3%	+28.2%

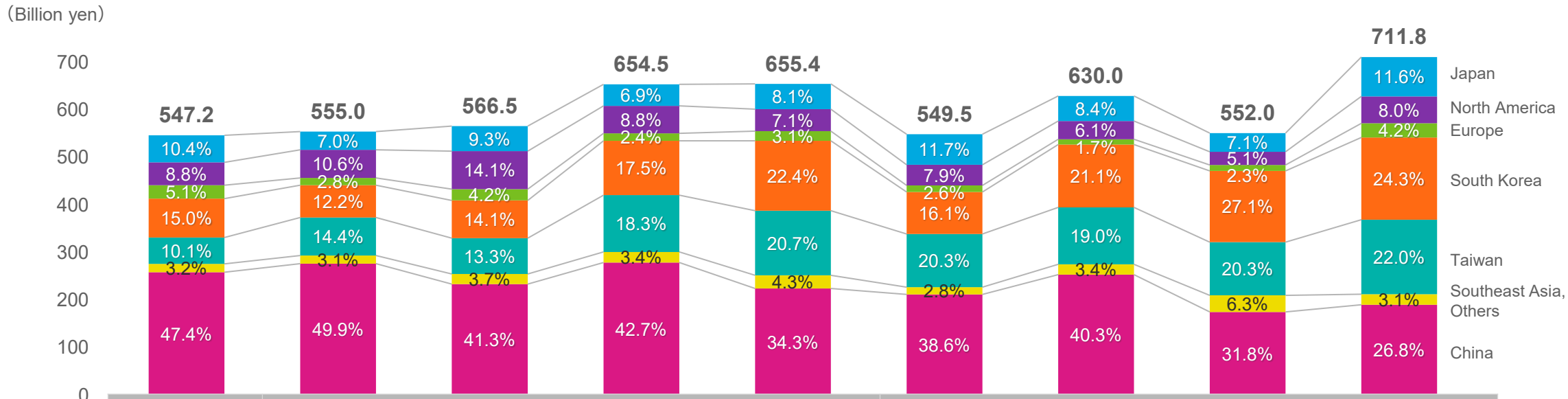
1. In principle, export sales of Tokyo Electron's products are denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of foreign exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.
2. Profit ratios are calculated using full amounts, before rounding.
3. FY20xx refers to the financial year ending in March 20xx.

Financial Trend



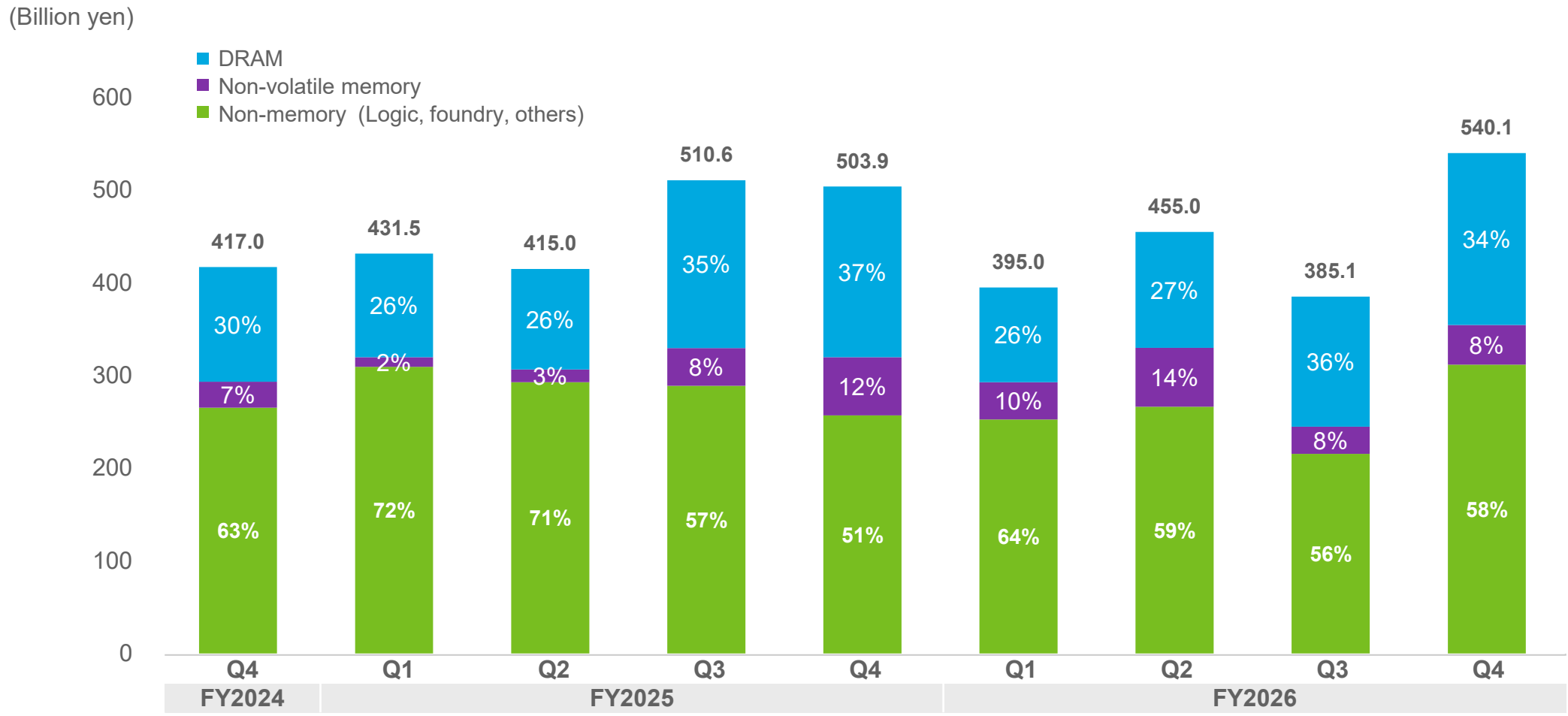
	FY2025	FY2026			
	Q4	Q1	Q2	Q3	Q4
Net sales	655.4	549.5	630.0	552.0	**711.8**
Operating income	183.7	144.6	158.4	116.1	**205.6**
Net income attributable to owners of parent	142.9	117.8	123.8	118.5	**214.2**
Gross profit margin	47.4%	46.2%	45.2%	42.7%	**46.8%**
Operating margin	28.0%	26.3%	25.1%	21.0%	**28.9%**

Composition of Net Sales by Region



	FY2024	FY2025				FY2026			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan	56.7	38.5	52.6	45.3	53.4	64.3	52.9	39.3	**82.8**
North America	48.3	59.0	79.9	57.7	46.2	43.4	38.4	27.8	**56.7**
Europe	28.1	15.5	23.8	15.7	20.3	14.0	10.8	12.7	**29.7**
South Korea	82.0	67.8	79.5	114.5	147.0	88.3	132.5	149.7	**173.1**
Taiwan	55.2	80.0	75.3	119.3	135.8	111.5	119.7	111.9	**156.5**
Southeast Asia, Others	17.5	17.0	21.2	22.3	27.8	15.6	21.3	34.8	**22.1**
China	259.1	277.0	233.9	279.4	224.6	212.1	254.1	175.5	**190.7**

SPE New Equipment Sales by Application



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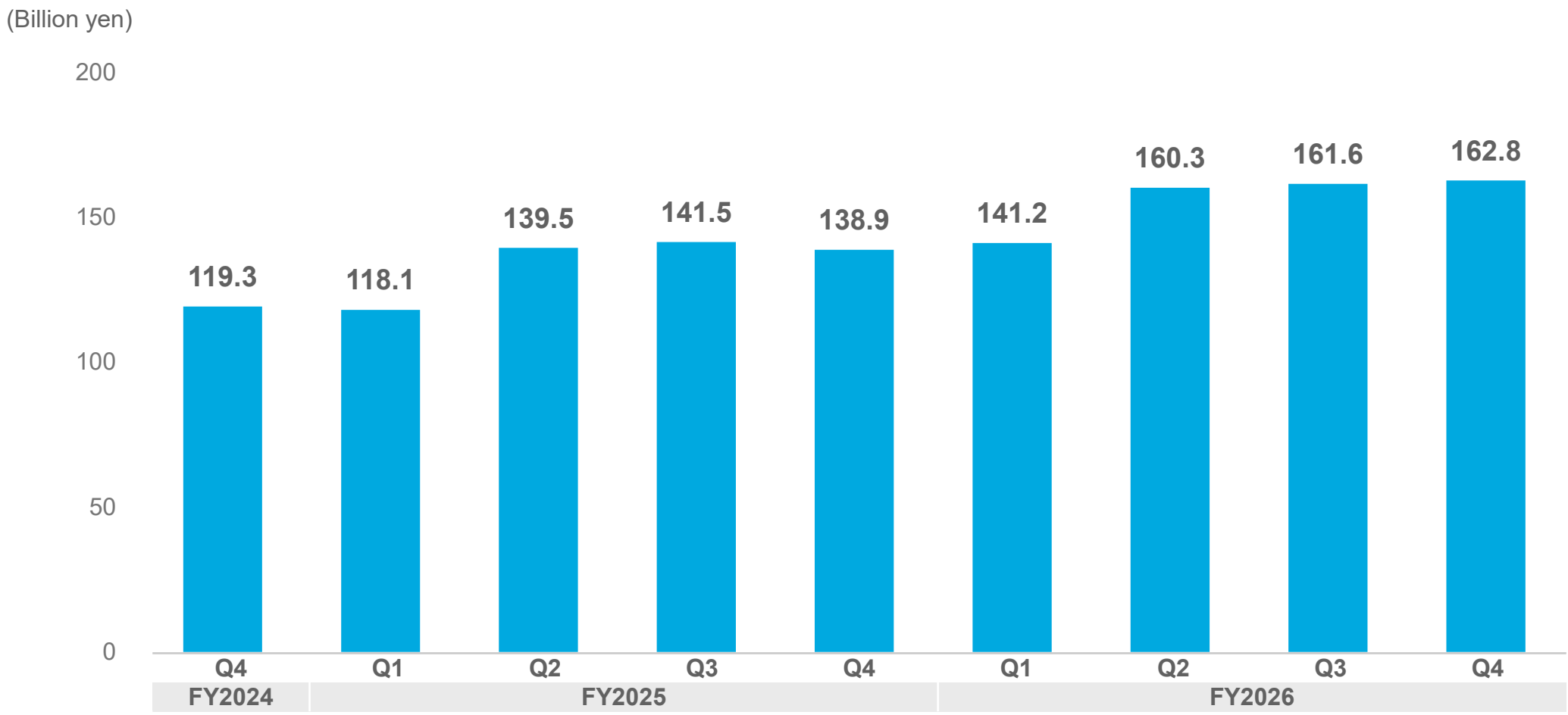
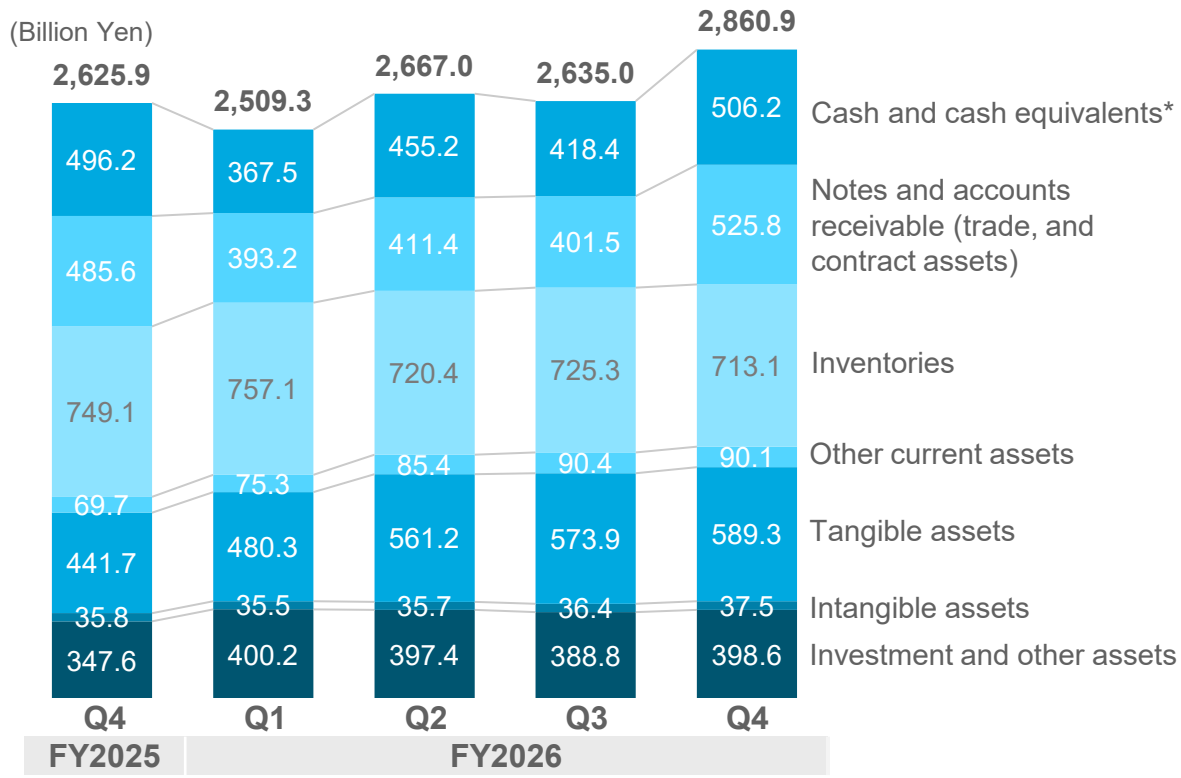
2. Percentages on the graph show the composition ratio of new equipment sales. Field Solutions sales are not included.

Field Solutions Sales

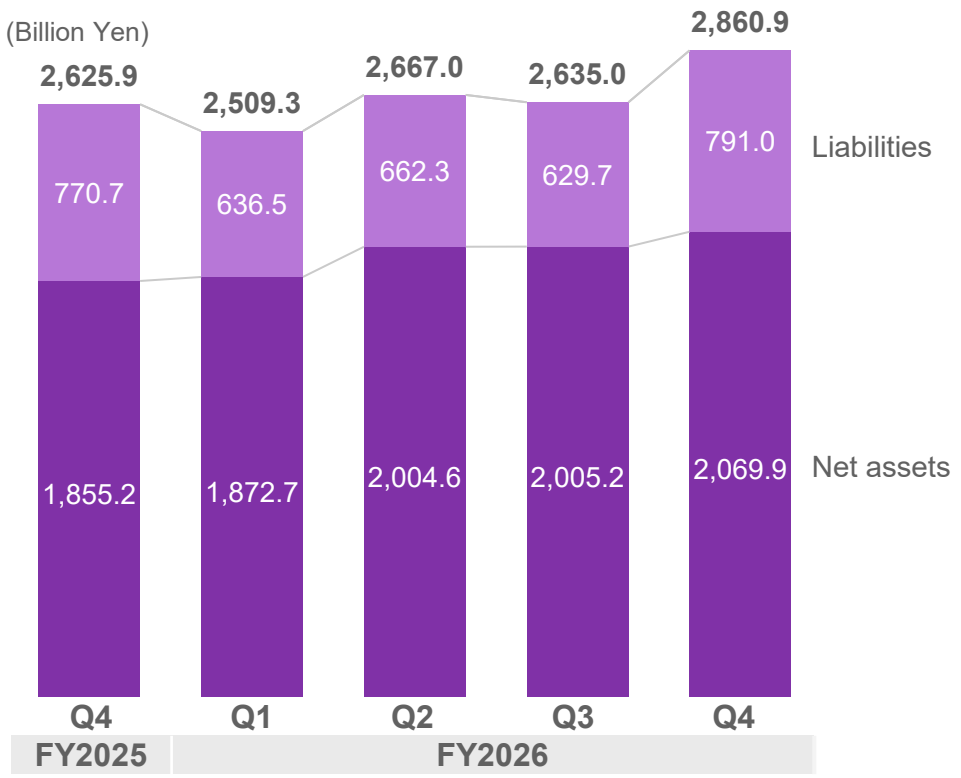


Balance Sheet

Assets

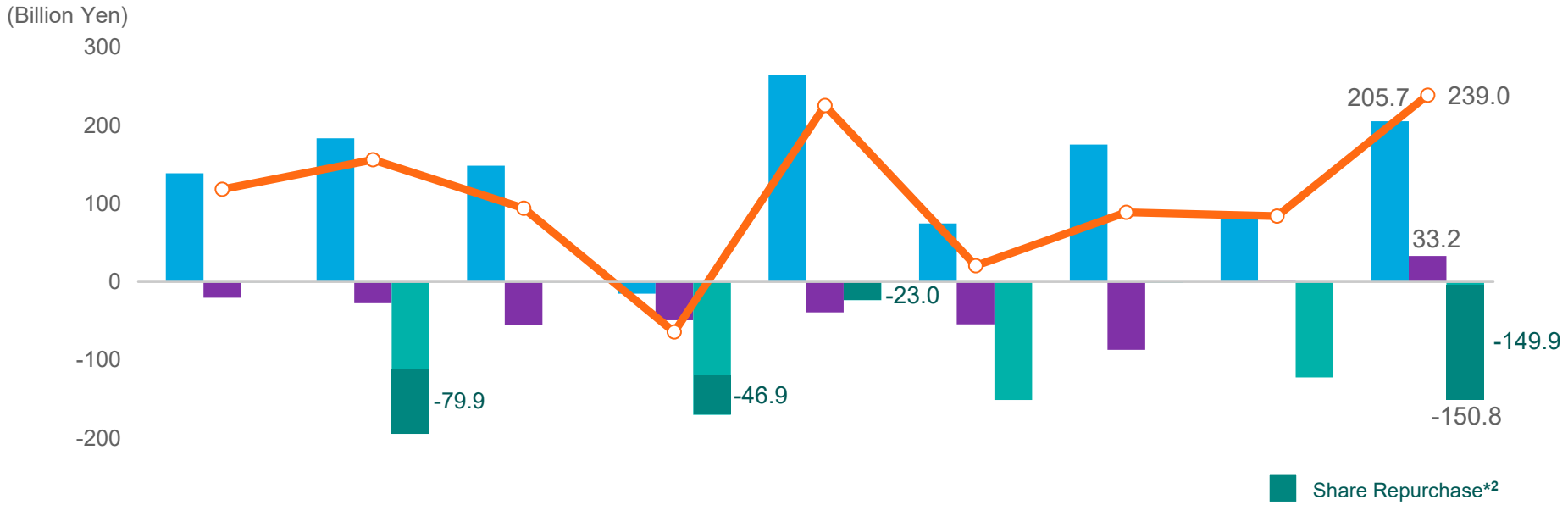


Liabilities and Net Assets



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

Cash Flow



	FY2024	FY2025				FY2026			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow from operating activities	139.0	183.7	148.6	-15.0	264.8	74.9	175.8	83.1	**205.7**
Cash flow from investing activities*1	-20.3	-27.3	-54.4	-49.0	-38.9	-54.1	-86.7	1.2	**33.2**
Cash flow from financing activities	-0.6	-194.4	-0.6	-170.1	-23.5	-151.1	-1.0	-122.3	**-150.8**
Free cash flow*3	118.7	156.4	94.1	-64.1	225.8	20.7	89.1	84.3	**239.0**
Cash on hand*4	472.5	438.5	525.5	295.5	496.2	367.5	455.2	418.4	**506.2**

*1 Cash flow from investing activities excludes changes in time deposits and short-term investments.

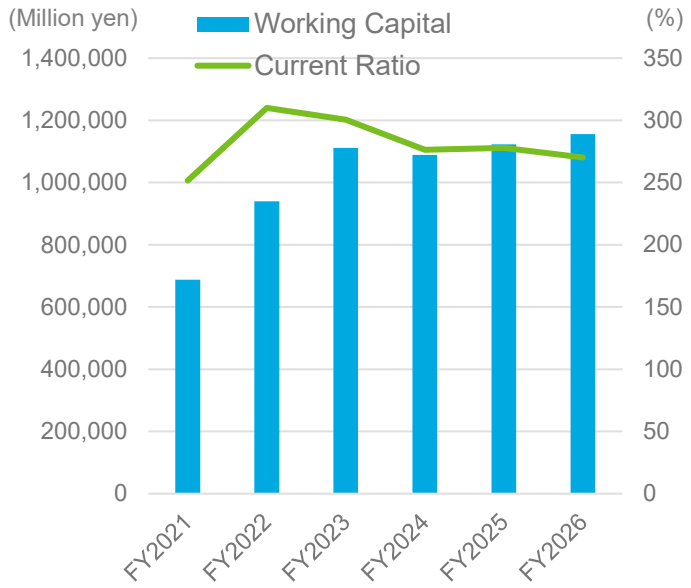
*2 The amount for share repurchase excludes the cost incurred to purchase odd-lot shares.

*3 Free cash flow = “Cash flow from operating activities” + “Cash flow from investing activities” (excluding changes in “Time deposits” and “Short-term investments”).

*4 Cash on hand includes “Cash and cash equivalents” + “Time deposits and short-term investments” with original maturities of more than three months.

Asset Related Indices

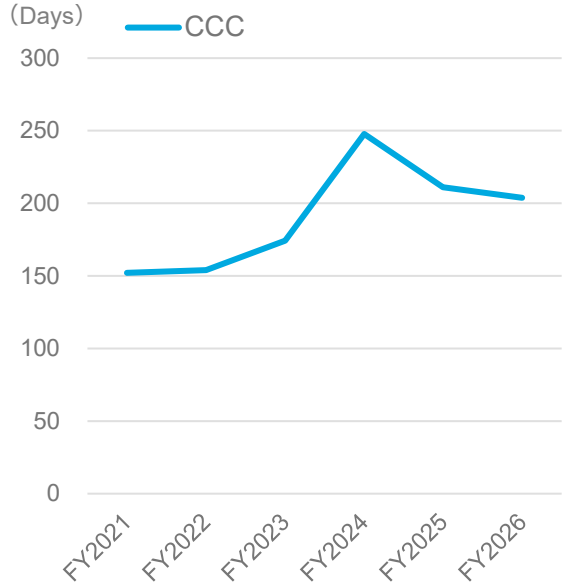
Working Capital and Current Ratio



	Working Capital (Million yen)	Current Ratio (%)
FY2021	688,035	310.0
FY2022	940,124	300.6
FY2023	1,111,065	276.4
FY2024	1,088,552	277.9
FY2025	1,122,830	265.6
FY2026	1,156,2240	270.2

Working capital = Current assets - Current liabilities
Current ratio = Current assets / Current liabilities × 100

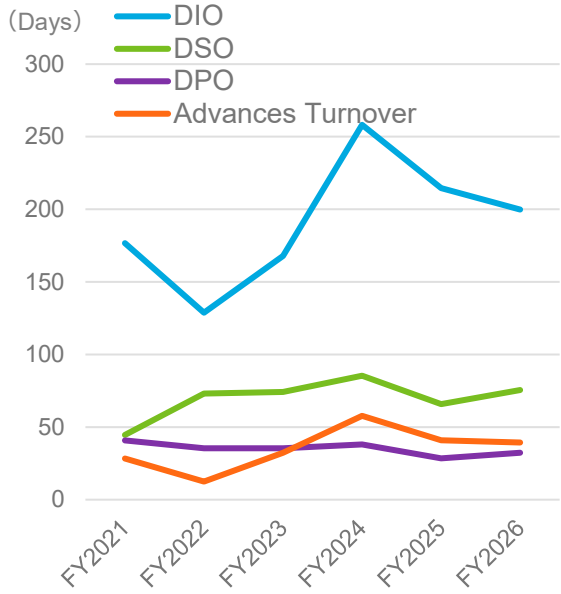
Cash Conversion Cycle (CCC)



	CCC (Days)
FY2021	152
FY2022	154
FY2023	174
FY2024	248
FY2025	211
FY2026	204

Cash conversion cycle
= DIO + DSO - Advances turnover - DPO

Inventory (DIO) / Receivable (DSO) / Payable (DPO) / Advances Turnover



	DIO (Days)	DSO (Days)	DPO (Days)	Advances (Days)
FY2021	177	45	41	28
FY2022	129	73	35	12
FY2023	168	74	35	32
FY2024	258	85	38	58
FY2025	215	66	28	41
FY2026	200	76	32	39

DIO = Average inventories / Cost of goods sold *365
DSO = Average accounts receivable* / Revenue *365
*Accounts receivable includes contract assets
DPO = Accounts payable / Cost of goods sold *365
Advances turnover = Average advances received / Revenue *365

*From the beginning of FY2022, the Company applies “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29).

Consolidated 10-year Financial Summary

(Millions of yen)

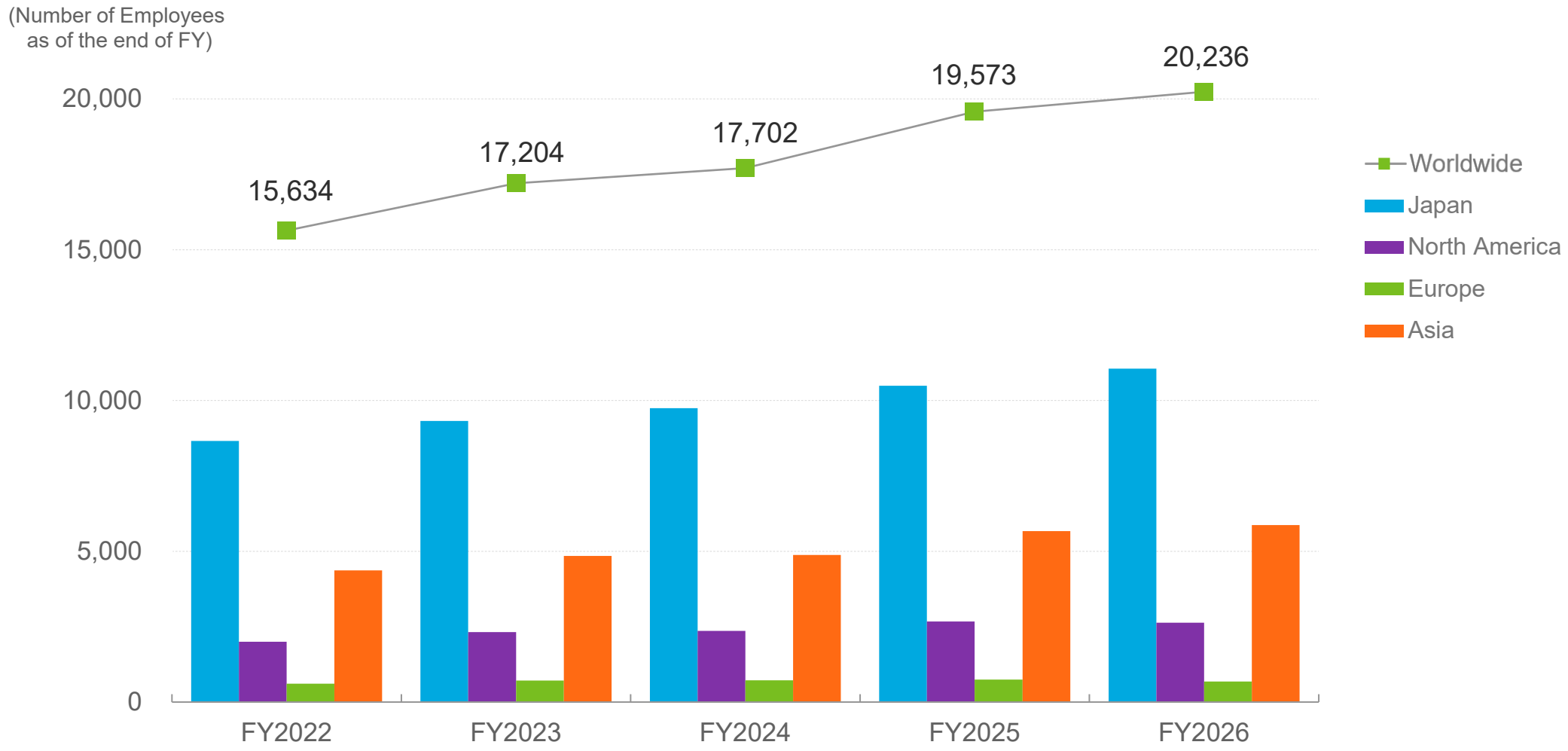
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Net sales	799,719	1,130,728	1,278,240	1,127,286	1,399,102	2,003,805	2,209,025	1,830,527	2,431,568	2,443,533
Gross profit	322,291	475,032	526,183	451,941	564,945	911,822	984,408	830,269	1,146,287	1,107,880
Gross profit margin	40.3%	42.0%	41.2%	40.1%	40.4%	45.5%	44.6%	45.4%	47.1%	45.3%
SG&A expenses	166,594	193,860	215,612	214,649	244,259	312,551	366,684	374,006	448,967	482,944
Operating income	155,697	281,172	310,571	237,292	320,685	599,271	617,723	456,263	697,319	624,936
Operating margin	19.5%	24.9%	24.3%	21.0%	22.9%	29.9%	28.0%	24.9%	28.7%	25.6%
Ordinary income	157,549	280,737	321,662	244,979	322,103	601,724	625,185	463,185	707,727	630,338
Income before income taxes	149,116	275,242	321,508	244,626	317,038	596,698	624,856	473,439	706,114	748,180
Net income attributable to oweners of parent	115,208	204,371	248,228	185,206	242,941	437,076	471,584	363,963	544,133	574,454
R&D expenses	83,800	97,103	113,980	120,268	136,648	158,256	191,196	202,873	250,017	277,866
Capital expenditures	20,697	45,603	49,754	54,666	53,868	57,288	74,432	121,841	162,171	216,063
Depreciation and amortization	17,872	20,619	24,323	29,107	33,843	36,727	42,927	52,339	62,148	80,982
Interest-bearing debt	-	-	-	-	-	-	-	-	-	-
Equity	643,094	767,146	880,748	819,301	1,012,977	1,335,152	1,587,595	1,746,835	1,839,929	2,046,298
Total assets	957,447	1,202,796	1,257,627	1,278,495	1,425,364	1,894,457	2,311,594	2,456,462	2,625,981	2,860,997
Debt-to-equity ratio	-	-	-	-	-	-	-	-	-	-
Equity ratio	67.2%	63.8%	70.0%	64.1%	71.1%	70.5%	68.7%	71.1%	70.1%	71.5%
ROE	19.1%	29.0%	30.1%	21.8%	26.5%	37.2%	32.3%	21.8%	30.3%	29.6%
Cash flow from operating activities	136,948	186,582	189,572	253,117	145,888	283,387	426,270	434,720	582,174	539,732
Cash flow from investing activities	-28,893	-11,833	-84,033	15,951	-18,274	-55,632	-41,756	-125,148	-169,609	-96,492
Cash flow from financing activities	-39,380	-82,549	-129,761	-250,374	-114,525	-167,256	-256,534	-325,012	-388,836	-425,359
Net income per share (Yen)	234.09	415.16	504.53	390.19	520.73	935.95	1,007.82	783.75	1,182.40	1,254.57
Cash dividends per share (Yen)	117.00	208.00	253.00	196.00	260.00	468.00	570.00	393.00	592.00	628.00
Number of employees	11,241	11,946	12,742	13,837	14,479	15,634	17,204	17,702	19,573	20,236

1. From FY2019, the Company adopts “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, revision on February 16, 2018). “Total assets” and "equity ratio" for FY2018 have been restated in the table in accordance with the revised accounting standard.

2. From the beginning of FY2022, the Company applies “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29).

3. The Company implemented a 3-for-1 common stock split on April 1, 2023. Net income per share and dividend per share (yen) are the figures after the stock split.

Worldwide Employees



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- Processing of numbers
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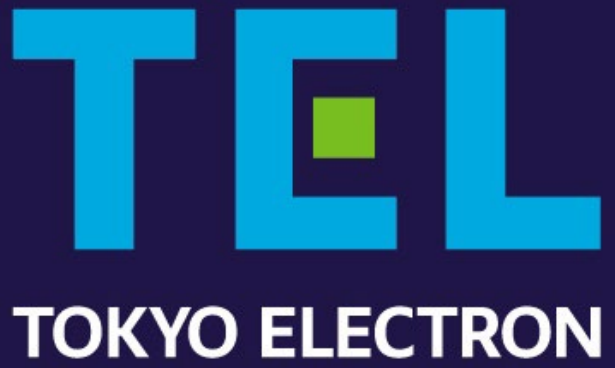
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