Summary of Consolidated Financial Results for the Second Quarter Ended September 30, 2025 (Japanese GAAP)

October 31, 2025

Name of Listed Company: Tokyo Electron Limited
Stock Exchange Listing: Tokyo
Security Code: 8035
URL: https://www.tel.com
Representative: Toshiki Kawai, Representative Director, President & CEO
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Scheduled start date of dividends payment: November 28, 2025
Preparation of supplementary materials for the financial results: Yes
Earnings release conference: Yes (for investors and analysts)

Note: Amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (Cumulative)

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

	Six months ended			
	September 30, 2024		September 30, 2025	
		%		%
Net sales (Millions of yen)	1,121,626	36.9	1,179,668	5.2
Operating income (Millions of yen)	313,904	75.8	303,153	(3.4)
Ordinary income (Millions of yen)	321,181	77.2	306,896	(4.4)
Net income attributable to owners of parent (Millions of yen)	243,903	77.4	241,626	(0.9)
Net income per share of common stock (Yen):				
Basic	528.67		527.31	
Diluted	527.10		525.62	

Comprehensive income: Six months ended September 30, 2025: 291,648 million yen, 28.6%
Six months ended September 30, 2024: 226,764 million yen, 26.2%

(2) Consolidated Financial Position

	As of	
	March 31, 2025	September 30, 2025
Total assets (Millions of yen)	2,625,981	2,667,019
Total net assets (Millions of yen)	1,855,209	2,004,636
Equity ratio (%)	70.1	74.4

Equity: 1,984,365 million yen (as of September 30, 2025)
1,839,929 million yen (as of March 31, 2025)

2. Dividends

	Year ended	Year ending
	March 31, 2025	March 31, 2026
1Q-end dividends per share (Yen)	-	-
2Q-end dividends per share (Yen)	265.00	264.00
3Q-end dividends per share (Yen)	-	-
Year-end dividends per share (Yen)	327.00	269.00 (Forecast)
Annual dividends per share (Yen)	592.00	533.00 (Forecast)

Note: Revision to the dividends forecast most recently announced: Yes
Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 4 for further information.

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

Note: Percentages for the year ending March 31, 2026 indicate changes from the previous fiscal year.

	Year ending March 31, 2026	
		%
Net sales (Millions of yen)	2,380,000	(2.1)
Operating income (Millions of yen)	586,000	(16.0)
Ordinary income (Millions of yen)	594,000	(16.1)
Net income attributable to owners of parent (Millions of yen)	488,000	(10.3)
Net income per share (Yen)	1,064.77	

Note: Revision to the financial forecasts most recently announced: Yes

Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 4 for further information.

Notes

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

(2) Adoption of special accounting methods for preparation of quarterly financial statements: Yes

Please refer to "Notes" on page 12 for further information.

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

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

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

1. Number of shares issued and outstanding (including treasury stock)

As of September 30, 2025:	471,632,733	shares
As of March 31, 2025:	471,632,733	shares

2. Number of shares of treasury stock

As of September 30, 2025:	13,229,962	shares
As of March 31, 2025:	13,522,282	shares

3. Average number of shares outstanding (Cumulative)

Six months ended September 30, 2025:	458,226,273	shares
Six months ended September 30, 2024:	461,352,616	shares

Note: The number of shares of treasury stock includes the Company’s shares held by "Executive compensation Board Incentive Plan (BIP) trust" and "share-delivering Employee Stock Ownership Plan (ESOP) trust". (1,308,886 shares as of September 30, 2025, 1,383,155 shares as of March 31, 2025)

In addition, these Company’s shares are included in the treasury stock which is deducted in calculating the average number of shares.

* Status of implementation of review procedures

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

* Explanation of the appropriate use of financial forecast:

The financial forecasts and estimates in this Summary of Consolidated Financial Results are based on information available to the Company at the time of report issuance and certain assumptions judged to be reasonable by the Company, and therefore are not guarantees of future performance. Consequently, actual results may differ substantially from those described in this Summary of Consolidated Financial Results. Please refer to "1. Business Results (4) Description of Financial Estimates Information such as Consolidated Financial Forecasts" on page 4.

The Company plans to hold an online conference for investors and analysts on October 31, 2025.

Supplementary materials to be used at the conference will be posted on the Company's website on the same day.

(URL: https://www.tel.com/ir/library/report/)

1. Business Results

(1) Overview of Operating Results

During the first half of the current fiscal year, despite ongoing concerns regarding geopolitical risks, inflation in Europe and the United States remained in the 2% range, and global economic conditions remained strong.
In the electronics industry, in which the Tokyo Electron (TEL) Group operates, increased demand for AI servers used in data centers drove growth in the overall semiconductor market.
Under the circumstances, in the semiconductor production equipment market, capital investment in mature generation equipment in China showed signs of slowing during the first half of the current fiscal year compared to the same period of the previous fiscal year. However, there was substantial growth in capital investment in memory and advanced packaging for generative AI.
Against the backdrop of the transition to a data-driven society accompanied by the advancement of information and communication technology, the evolution of AI to enhance productivity and create new value, and efforts towards a decarbonized society, the role of semiconductors and their technological innovation are becoming increasingly important. Consequently, the semiconductor production equipment market is expected to grow even further in the medium- to long-term.
As a result, the consolidated financial results (cumulative) for the second quarter of the current fiscal year were net sales of 1,179,668 million yen (year-on-year growth of 5.2%), operating income of 303,153 million yen (year-on-year decline of 3.4%), ordinary income of 306,896 million yen (year-on-year decline of 4.4%), and net income attributable to owners of parent of 241,626 million yen (year-on-year decline of 0.9%).

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

(2) Overview of Financial Conditions

Current assets at the end of the second quarter of the current fiscal year were 1,672,563 million yen, a decrease of 128,193 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 74,183 million yen in notes and accounts receivable - trade, and contract assets, a decrease of 28,677 million yen in inventories, and a decrease of 20,989 million yen in cash and deposits.
Property, plant and equipment increased by 119,557 million yen from the end of the previous fiscal year, to 561,263 million yen.
Intangible assets decreased by 98 million yen from the end of the previous fiscal year, to 35,752 million yen.
Investments and other assets increased by 49,772 million yen from the end of the previous fiscal year, to 397,440 million yen.
As a result, total assets increased by 41,038 million yen from the end of the previous fiscal year, to 2,667,019 million yen.
Current liabilities decreased by 117,696 million yen from the end of the previous fiscal year, to 560,229 million yen. This was largely due to a decrease of 36,347 million yen in income taxes payable, a decrease of 32,223 million yen in advances received, a decrease of 24,185 million yen in accrued consumption tax, and a decrease of 21,607 million yen in provision for employees' bonuses.
Non-current liabilities increased by 9,306 million yen from the end of the previous fiscal year, to 102,153 million yen.
Net assets increased by 149,427 million yen from the end of the previous fiscal year, to 2,004,636 million yen. This was largely due to an increase of 241,626 million yen resulting from recording net income attributable to owners of parent, a decrease resulting from the payment of 150,254 million yen in year-end dividends for the previous fiscal year, an increase of 42,270 million yen in net unrealized gains on available-for-sale securities, and an increase of 9,900 million yen in foreign currency translation adjustments.
As a result, the equity ratio was 74.4%.

(3) Overview of Cash Flows

Cash and cash equivalents at the end of the second quarter of the current fiscal year decreased by 41,058 million yen compared to the end of the previous fiscal year, to 444,013 million yen. The combined balance including 11,226 million yen in time deposits and short-term investments with maturities of more than three months that are not included in cash and cash equivalents was 455,240 million yen, a decrease of 40,998 million yen from the end of the previous fiscal year. The overall situation regarding cash flows during the second quarter of the current fiscal year was as described below.

Cash flows from operating activities were positive 250,848 million yen, a decrease of 81,585 million yen compared to the same period of the previous fiscal year. The major positive factors were 312,986 million yen in income before income taxes, a decrease of 77,979 million yen in notes and accounts receivable - trade and contract assets, and 36,279 million yen in depreciation and amortization. The major negative factors were 108,429 million yen in payment of income taxes, and a decrease of 33,752 million yen in advances received.

Cash flows from investing activities were negative 140,971 million yen compared to negative 91,799 million yen in the same period of the previous fiscal year. This was largely due to the payment of 135,392 million yen for the purchase of property, plant and equipment.

Cash flows from financing activities were negative 152,143 million yen compared to negative 195,092 million yen in the same period of the previous fiscal year. This was largely due to the payment of 150,254 million yen in dividends.

(4) Description of Financial Estimates Information such as Consolidated Financial Forecasts

(i) Consolidated Financial Forecast Revision

In the first half of the current fiscal year, net sales exceeded the previous forecast. Operating income, ordinary income, and net income attributable to owners of parent also surpassed their respective forecasts.

Against the backdrop of the transition to a data-driven society accompanied by the advancement of information and communication technology, the evolution of AI to enhance productivity and create new value, and efforts towards a decarbonized society, technological innovation in semiconductors is becoming increasingly important. Consequently, the semiconductor production equipment market is expected to grow further.

Based on the most recent trends in capital investments by our customers, we would like to revise the consolidated financial forecasts for the fiscal year ending March 31, 2026, which were announced on July 31, 2025, as follows. In addition, in order to reduce strategic shareholdings and enhance capital efficiency, the Company sold part of its investment securities in October 2025. As a result, extraordinary income of 37,215 million yen will be recorded in the second half of the current fiscal year.

Consolidated Financial Forecasts
for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income Attributable to Owners of Parent (Millions of Yen)	Net Income per Share (Yen)
Previous Forecast (A)	2,350,000	570,000	579,000	444,000	969.12
Revised Forecast (B)	2,380,000	586,000	594,000	488,000	1,064.77
Change (B-A)	30,000	16,000	15,000	44,000	—
Change Ratio (%)	1.3	2.8	2.6	9.9	—
Results for the Year Ended March 31, 2025	2,431,568	697,319	707,727	544,133	1,182.40

(For reference)

Consolidated Financial Forecasts
for the Six Months Ended September 30, 2025 (April 1, 2025 - September 30, 2025)

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income Attributable to Owners of Parent (Millions of Yen)	Net Income per Share (Yen)
Previous Forecast (A)	1,150,000	288,000	293,000	224,000	488.93
Results (B)	1,179,668	303,153	306,896	241,626	527.31
Change (B-A)	29,668	15,153	13,896	17,626	—
Change Ratio (%)	2.6	5.3	4.7	7.9	—
Results for the Six Months Ended September 30, 2024	1,121,626	313,904	321,181	243,903	528.67

(ii) Dividends Forecast Revision

Our dividend policy is to link dividend payments to business performance on an ongoing basis. Our basic policy for returning profits to shareholders is to maintain a payout ratio of around 50% based on consolidated net income attributable to owners of parent. Due to the revision of our consolidated financial forecasts mentioned earlier, we would like to revise the annual dividends forecast from 485 yen per share as announced on July 31, 2025, to 533 yen per share (Interim dividends : 264 yen, Year-end dividends : 269 yen).

	Dividends per Share		
(Yen)	Interim (2Q-End)	Year-End	Total
Previous Forecast	245.00	240.00	485.00
Revised Forecast	―	269.00	533.00
Results for the Year Ending March 31, 2026	264.00	―	―
Results for the Year Ended March 31, 2025	265.00	327.00	592.00

Note: The financial forecasts and estimates stated in this Summary of Consolidated Financial Results are based on certain assumptions judged to be reasonable by the Company in light of information currently available concerning economic conditions in Japan and overseas, fluctuations in foreign exchange rates, and other factors that may have an impact on performance. The Company does not promise that the forecasts or estimates will be accurate.

They are therefore susceptible to the impact of many uncertainties, including market conditions, competition, the launching of new products (and their success or failure), and global conditions in the semiconductor related industry. Consequently, actual sales and profits may differ substantially from the projections described in this Summary of Consolidated Financial Results.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
ASSETS		
Current assets		
Cash and deposits	416,240	395,250
Notes and accounts receivable - trade, and contract assets	485,626	411,443
Securities	79,998	59,989
Merchandise and finished goods	291,523	290,475
Work in process	190,021	191,730
Raw materials and supplies	267,580	238,242
Other	69,924	85,586
Allowance for doubtful accounts	(160)	(156)
Total current assets	1,800,756	1,672,563
Non-current assets		
Property, plant and equipment	441,706	561,263
Intangible assets		
Other	35,850	35,752
Total intangible assets	35,850	35,752
Investments and other assets		
Other	349,070	398,794
Allowance for doubtful accounts	(1,402)	(1,354)
Total investments and other assets	347,668	397,440
Total non-current assets	825,225	994,456
Total assets	2,625,981	2,667,019

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	108,036	97,066
Income taxes payable	109,446	73,098
Advances received	256,392	224,168
Provision for warranty expenses	40,381	39,152
Provision for employees' bonuses	55,218	33,610
Other provisions	3,132	400
Other	105,317	92,731
Total current liabilities	677,925	560,229
Non-current liabilities		
Other provisions	3,030	2,968
Net defined benefit liabilities	56,473	58,559
Other	33,342	40,625
Total non-current liabilities	92,846	102,153
Total liabilities	770,771	662,382
NET ASSETS		
Shareholders' equity		
Common stock	54,961	54,961
Capital surplus	78,011	78,011
Retained earnings	1,783,881	1,872,832
Treasury stock	(277,658)	(272,194)
Total shareholders' equity	1,639,195	1,733,610
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	129,574	171,845
Net deferred gains (losses) on hedging instruments	37	(9)
Foreign currency translation adjustments	60,801	70,702
Remeasurements of defined benefit plans	10,319	8,217
Total accumulated other comprehensive income (loss)	200,733	250,755
Share subscription rights	15,280	20,270
Total net assets	1,855,209	2,004,636
Total liabilities and net assets	2,625,981	2,667,019

Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	1,121,626	1,179,668
Cost of sales	597,664	640,807
Gross profit	523,962	538,861
Selling, general and administrative expenses		
Research and development expenses	115,492	134,827
Other	94,564	100,880
Total selling, general and administrative expenses	210,057	235,707
Operating income	313,904	303,153
Non-operating income		
Dividend income	1,344	1,429
Other	6,625	4,986
Total non-operating income	7,969	6,415
Non-operating expenses		
Foreign exchange losses	-	2,399
Other	692	273
Total non-operating expenses	692	2,672
Ordinary income	321,181	306,896
Extraordinary income		
Gain of refund of value-added tax	-	4,849
Gain on sales of investment securities	-	1,668
Other	18	47
Total extraordinary income	18	6,565
Extraordinary loss		
Loss on disposal and sales of non-current assets	344	475
Total extraordinary loss	344	475
Income before income taxes	320,855	312,986
Income taxes	76,952	71,360
Net income	243,903	241,626
Net income attributable to owners of parent	243,903	241,626

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net income	243,903	241,626
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(2,567)	42,269
Foreign currency translation adjustments	(12,665)	9,926
Remeasurements of defined benefit plans	(1,776)	(2,003)
Share of other comprehensive income of associates accounted for using the equity method	(129)	(169)
Total other comprehensive income (loss)	(17,138)	50,022
Comprehensive income	226,764	291,648
Comprehensive income attributable to:		
Owners of parent	226,764	291,648

Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Income before income taxes	320,855	312,986
Depreciation and amortization	27,709	36,279
Amortization of goodwill	54	183
Increase (decrease) in provision for employees' bonuses	(6,653)	(21,858)
Increase (decrease) in provision for warranty expenses	2,493	(1,321)
Interest and dividend income	(2,751)	(2,368)
Decrease (increase) in notes and accounts receivable - trade, and contract assets	15,788	77,979
Decrease (increase) in inventories	15,265	33,349
Increase (decrease) in notes and accounts payable - trade	8,878	(13,918)
Decrease (increase) in prepaid consumption tax	7,005	(2,969)
Increase (decrease) in accrued consumption tax	13,447	(24,184)
Increase (decrease) in advances received	8,761	(33,752)
Other, net	(1,706)	(3,915)
Subtotal	409,148	356,490
Interest and dividends received	3,359	2,788
Income taxes refund (paid)	(80,074)	(108,429)
Net cash provided by operating activities	332,433	250,848
Cash flows from investing activities		
Decrease (increase) in time deposits	(4)	(0)
Decrease (increase) in short-term investments	(10,000)	-
Purchase of property, plant and equipment	(77,961)	(135,392)
Purchase of intangible assets	(3,435)	(4,533)
Other, net	(397)	(1,044)
Net cash used in investing activities	(91,799)	(140,971)
Cash flows from financing activities		
Purchase of treasury stock	(80,002)	(1)
Dividends paid	(113,767)	(150,254)
Other, net	(1,322)	(1,887)
Net cash used in financing activities	(195,092)	(152,143)
Effect of exchange rate changes on cash and cash equivalents	(2,481)	1,206
Net increase (decrease) in cash and cash equivalents	43,060	(41,058)
Cash and cash equivalents at beginning of period	461,608	485,072
Cash and cash equivalents at end of period	504,669	444,013

Notes

Going concern: None

Significant changes in Shareholders' Equity: None

Significant changes in the scope of consolidation during the period: None

Adoption of special accounting methods for preparation of quarterly financial statements: Yes

The Company and part of its consolidated subsidiaries calculate tax expenses by reasonably estimating the annual effective tax rate on income before income taxes after the application of tax effect accounting for the fiscal year, and applying this rate to income before income taxes for the current quarter under review.

Changes in accounting policies, changes in accounting estimates and restatements: None

Segment information

This section has been omitted since TEL Group has a single segment of semiconductor production equipment.

Significant subsequent event

Sale of investment securities

The Company sold part of its investment securities, as follows.

1. Reason for sale of investment securities

The Company intends to reduce strategic shareholdings and enhance capital efficiency.

2. Details of sale of investment securities

(1) Shares sold:	Listed securities held by the Company
(2) Sale date:	October 29, 2025
(3) Gain on sales of investment securities:	37,215 million yen