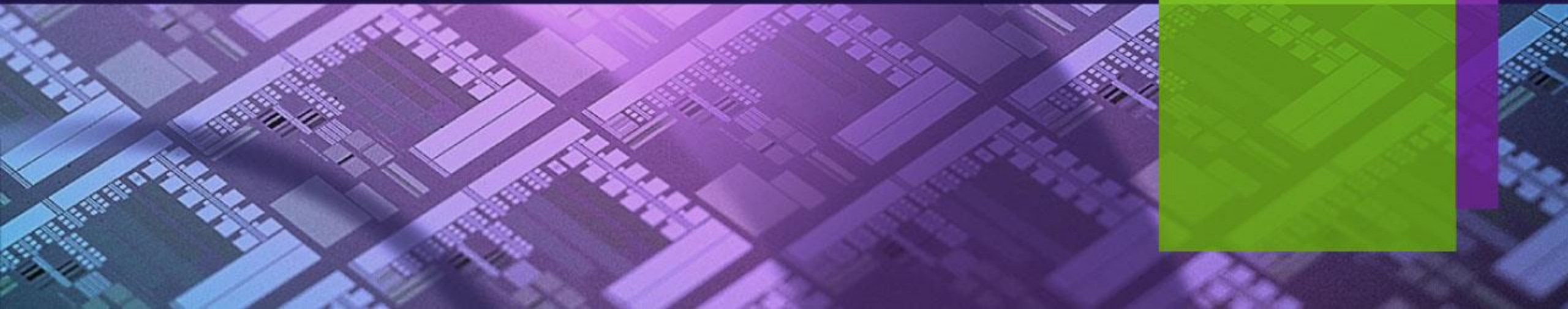


Q2 FY2025 (July – September 2024) Financial Announcement

November 12, 2024

Agenda:

- Consolidated Financial Summary
Hiroshi Kawamoto, SVP & GM, Division Officer of Finance Division
- Business Environment and Financial Estimates
Toshiki Kawai, Representative Director, President & CEO



Forward Looking Statements

- Disclaimer regarding forward-looking statements

Forward-looking statements with respect to TEL's business plan, prospects and other such information are based on information available at the time of publication. Actual performance and results may differ significantly from the business plan described here due to changes in various external and internal factors, including political and economic situation, semiconductor market conditions, intensification of sales competition, safety and product quality management, intellectual property-related matters and impacts from COVID-19.

- Processing of numbers

For the amount listed, because fractions are rounded down, there may be the cases where the total for certain account titles does not correspond to the sum of the respective figures for account titles. Percentages are calculated using full amounts, before rounding.

- Foreign exchange risk

In principle, export sales of Tokyo Electron's products is denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.

Q2 FY2025 Consolidated Financial Summary

November 12, 2024

Hiroshi Kawamoto
SVP & GM, Division Officer of Finance Division



Financial Summary (Quarterly)

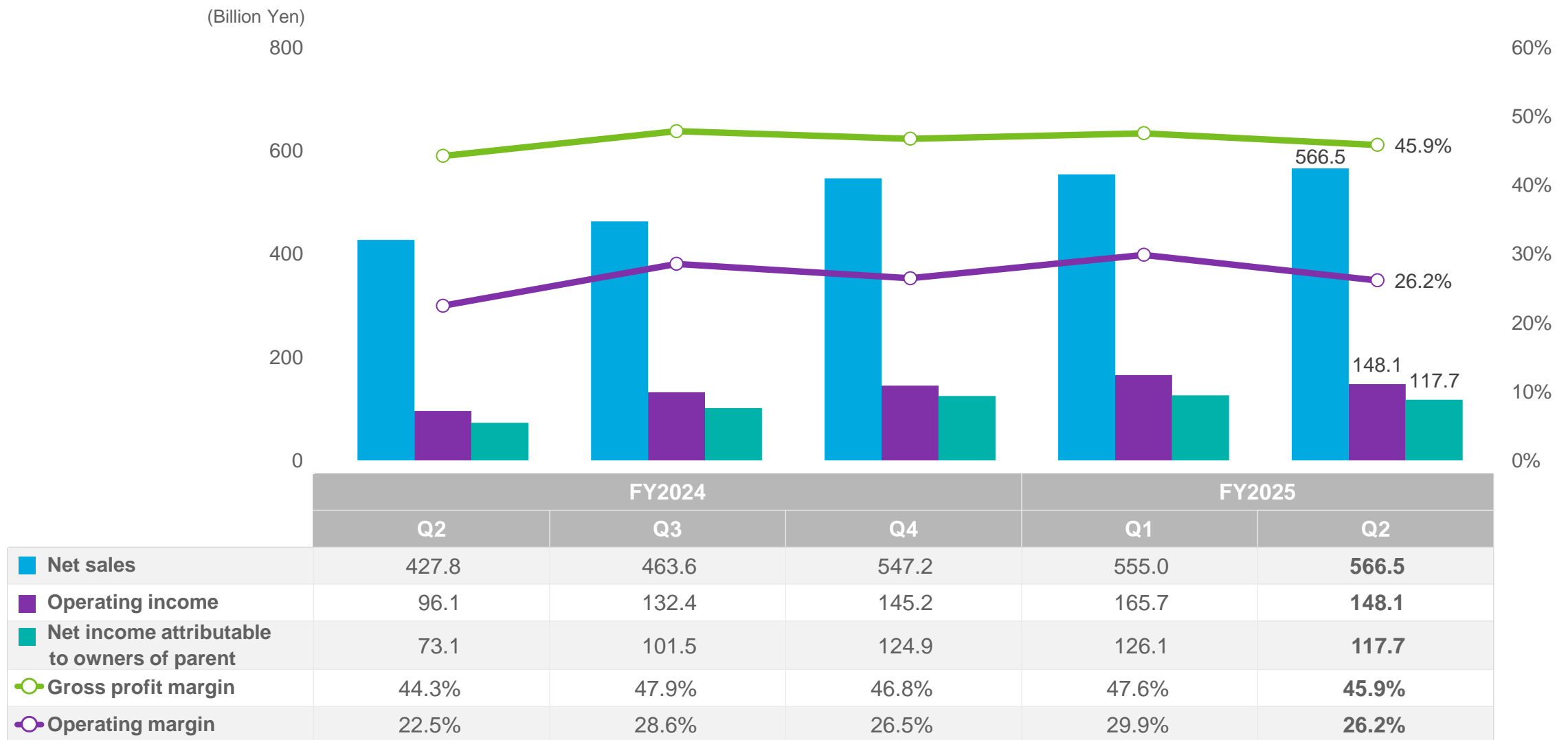
(Billion yen)

	FY2024			FY2025		vs. Q1 FY2025	vs. Q2 FY2024
	Q2	Q3	Q4	Q1	Q2		
Net sales	427.8	463.6	547.2	555.0	566.5	+2.1%	+32.4%
Gross profit	189.7	222.1	256.1	264.0	259.9	-1.5%	+37.0%
Gross profit margin	44.3%	47.9%	46.8%	47.6%	45.9%	-1.7pts	+1.6pts
SG&A expenses	93.5	89.6	110.8	98.2	111.7	+13.7%	+19.4%
Operating income	96.1	132.4	145.2	165.7	148.1	-10.6%	+54.1%
Operating margin	22.5%	28.6%	26.5%	29.9%	26.2%	-3.7pts	+3.7pts
Income before income taxes	98.1	134.4	157.8	167.2	153.6	-8.2%	+56.5%
Net income attributable to owners of parent	73.1	101.5	124.9	126.1	117.7	-6.7%	+60.9%
R&D expenses	51.0	49.7	58.4	53.4	62.0	+16.1%	+21.6%
Capital expenditures	17.6	31.8	32.9	23.9	53.3	+122.2%	+202.1%
Depreciation and amortization	12.5	13.8	15.3	13.2	14.5	+9.9%	+15.3%

1. In principle, export sales of Tokyo Electron's products is denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.

2. Profit ratios are calculated using full amounts, before rounding.

Financial Performance (Quarterly)



Financial Summary (H1)

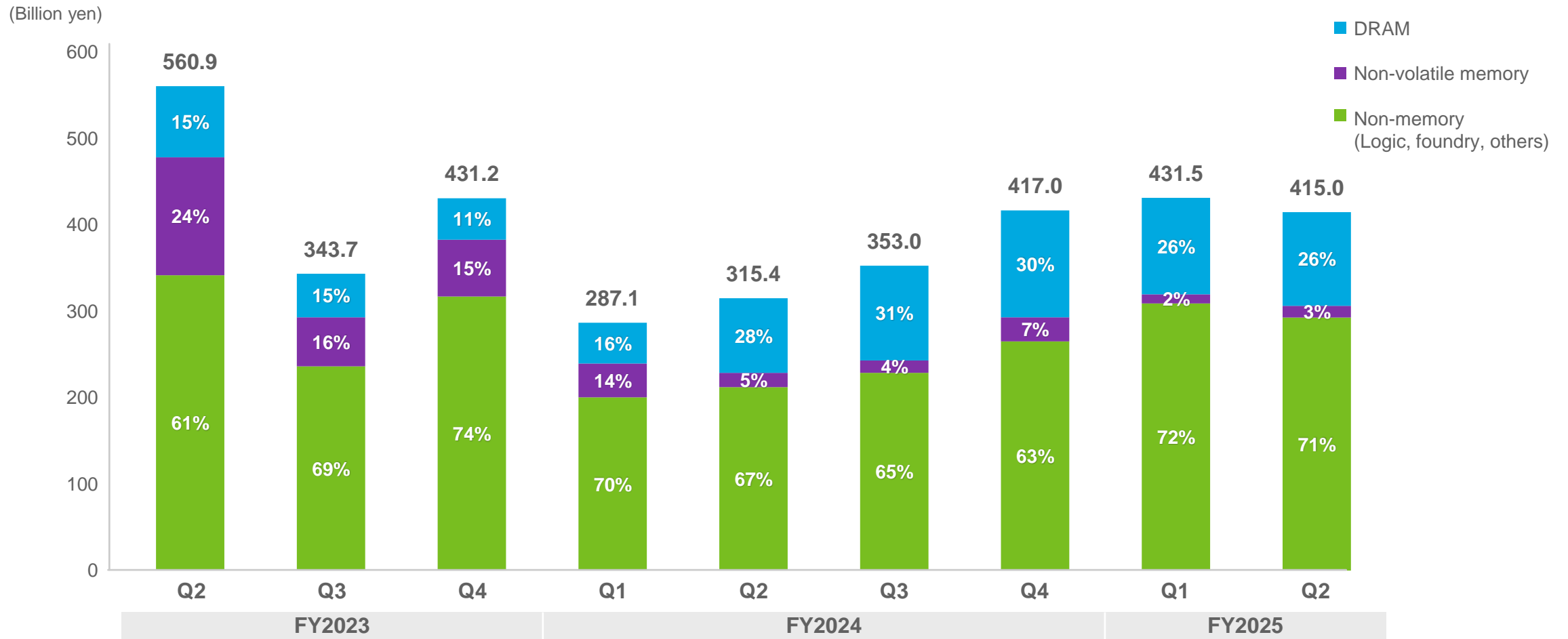
(Billion Yen)

	FY2024		FY2025	vs. FY2024 H2	vs. FY2024 H1	(Reference) H1/FY2025 (E) announced on Aug. 8
	H1	H2	H1			
Net sales	819.5	1,010.9	1,121.6	+10.9%	+36.9%	1,100.0
Gross profit	352.0	478.2	523.9	+9.6%	+48.8%	504.0
Gross profit margin	43.0%	47.3%	46.7%	-0.6pts	+3.7pts	45.8%
SG&A expenses	173.4	200.5	210.0	+4.7%	+21.1%	216.0
Operating income	178.5	277.6	313.9	+13.0%	+75.8%	288.0
Operating margin	21.8%	27.5%	28.0%	+0.5pts	+6.2pts	26.2%
Income before income taxes	181.1	292.3	320.8	+9.8%	+77.1%	290.0
Net income attributable to owners of parent	137.4	226.4	243.9	+7.7%	+77.4%	218.0
R&D expenses	94.6	108.1	115.4	+6.7%	+22.0%	121.0
Capital expenditures	57.0	64.8	77.3	+19.3%	+35.6%	-
Depreciation and amortization	23.1	29.1	27.7	-5.0%	+19.5%	-

1. In principle, export sales of Tokyo Electron's products is denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.

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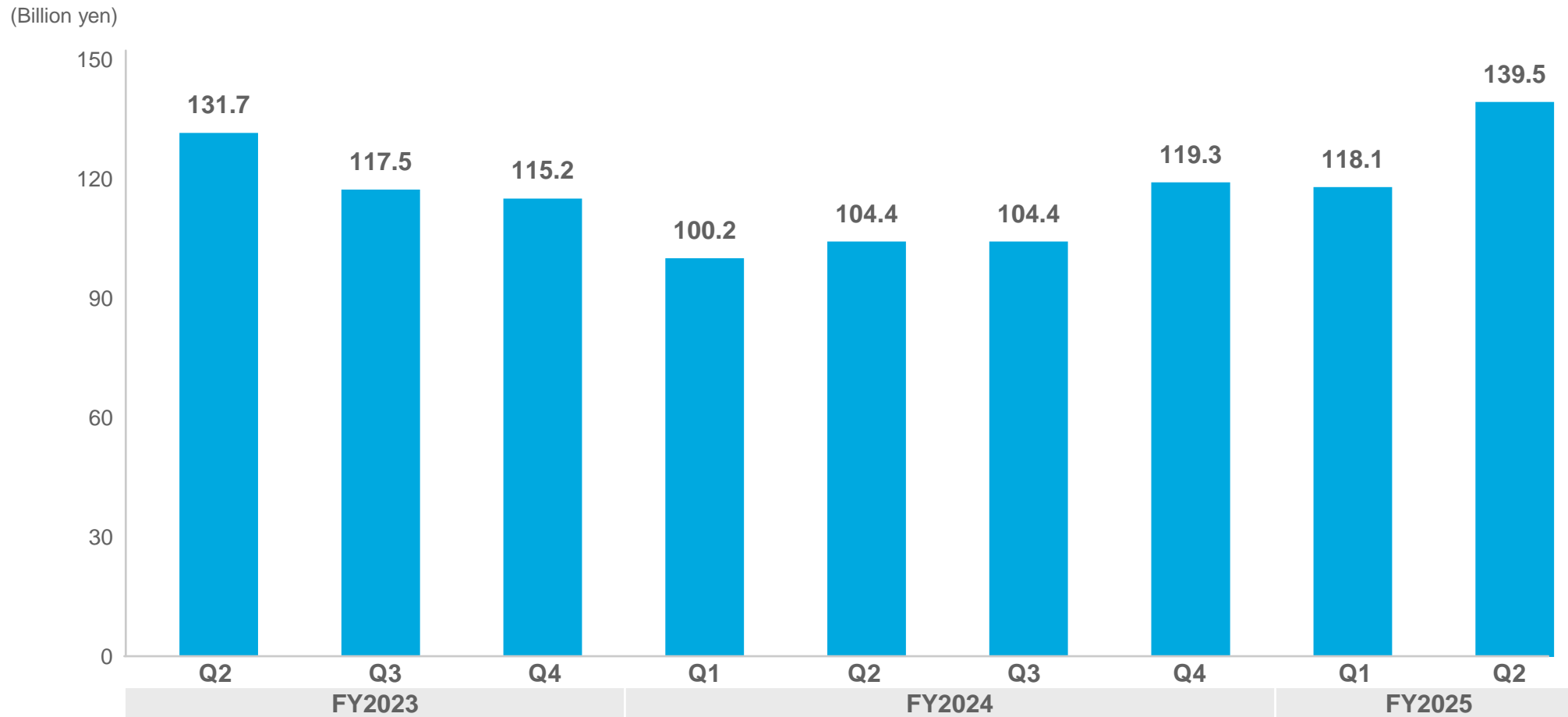
SPE New Equipment Sales by Application (Quarterly)



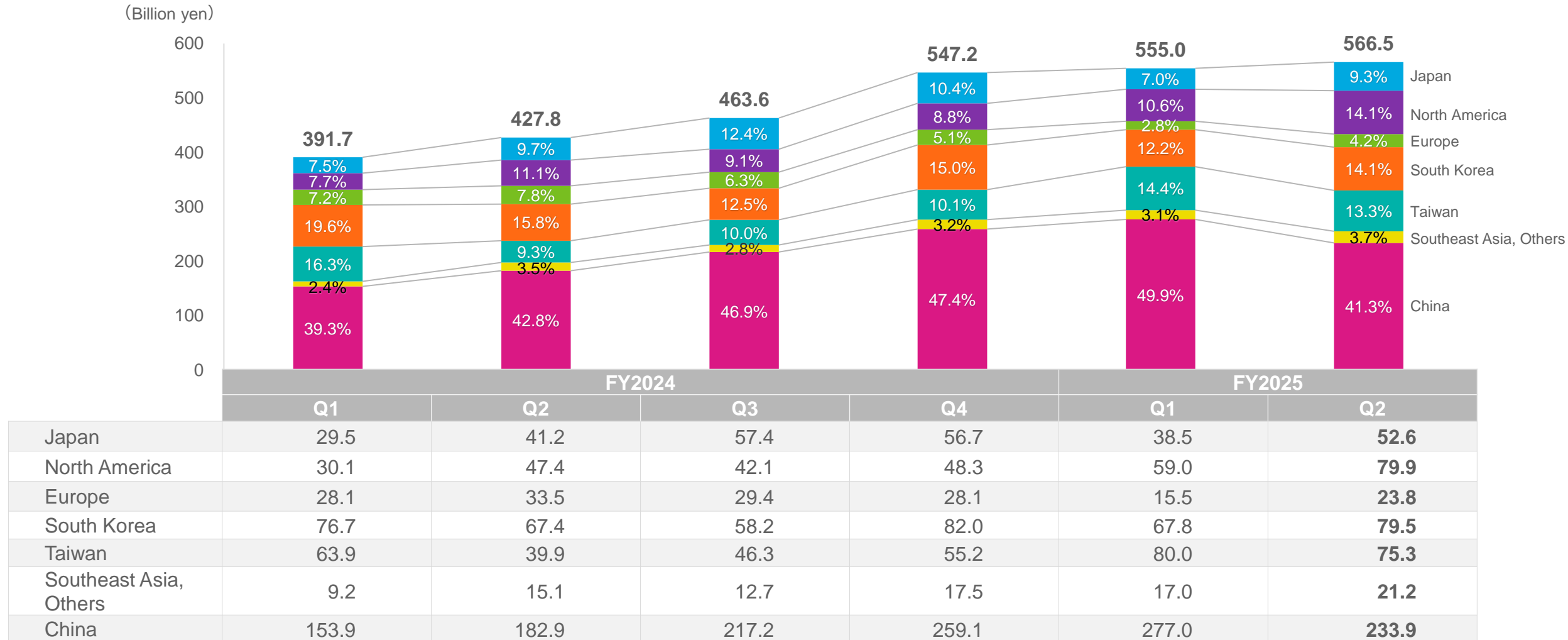
*1 SPE: Semiconductor production equipment

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

Field Solutions Sales (Quarterly)



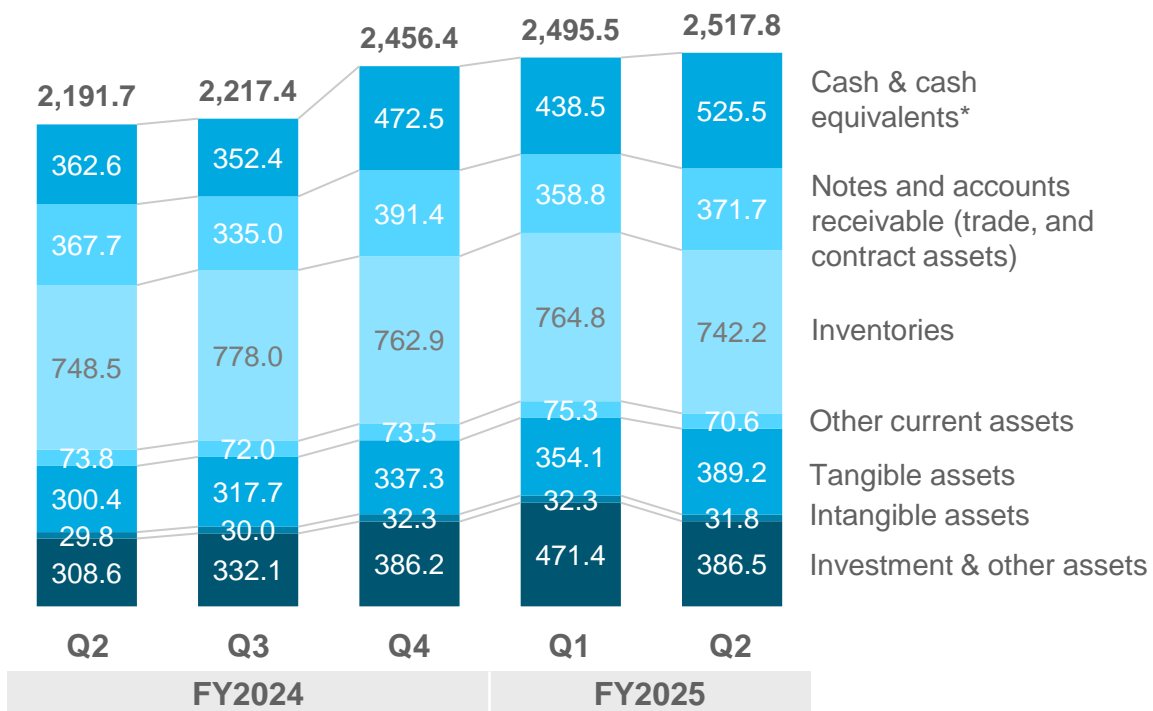
Composition of Net Sales by Region (FY2024 Q1-FY2025 Q2)



Balance Sheet (Quarterly)

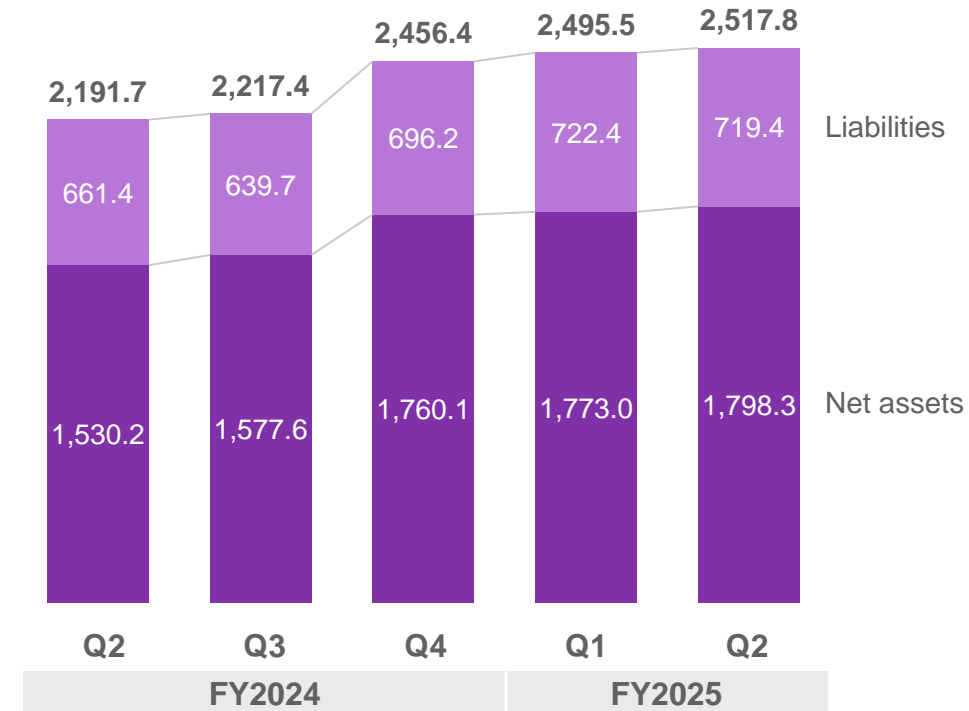
Assets

(Billion Yen)



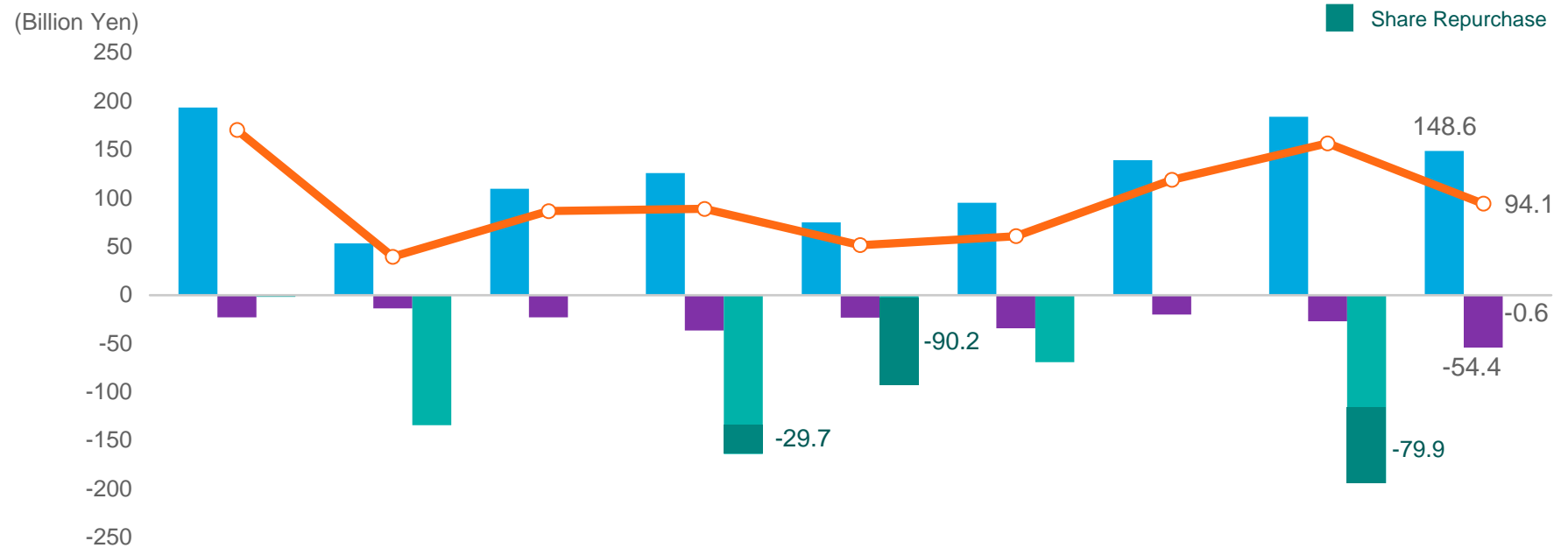
Liabilities & Net Assets

(Billion Yen)



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

Cash Flow (Quarterly)



	FY2023			FY2024				FY2025	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
■ Cash flow from operating activities	193.4	53.2	109.6	125.7	74.8	95.0	139.0	183.7	148.6
■ Cash flow from investing activities*1	-23.1	-13.8	-23.1	-36.8	-23.4	-34.4	-20.3	-27.3	-54.4
■ Cash flow from financing activities	-2.1	-134.6	-0.5	-164.1	-90.8	-69.3	-0.6	-194.4	-0.6
○ Free cash flow*2	170.2	39.3	86.5	88.8	51.4	60.6	118.7	156.4	94.1
Cash on hand*3	484.6	387.4	473.1	401.0	362.6	352.4	472.5	438.5	525.5

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

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

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

Business Environment and Financial Estimates

November 12, 2024

Toshiki Kawai
Representative Director, President & CEO



Business Environment (WFE Market Outlook as of November 2024)

■ **CY2024: Estimating over \$100B; on track to exceed initial forecast**

- Strong demand for AI servers and active forward-looking investment for PCs/smartphones w/ AI
 - Approx. 15% (YoY1.5x) of investment expected to be for AI servers
 - Approx. 15% of investment expected to be for On-device AI PCs/smartphones
 - Approx. 35% of investment expected to be for conventional servers/PCs/smartphones

■ **CY2025: Double-digit growth expected**

- Proportion of AI related investment to grow:
 - DRAM to further expand, NAND investment to resume as inventory adjustment progress
 - Advanced logic/foundry to offset a lull in investment for mature nodes
 - Approx. 20% of investment expected to be for AI servers
 - Approx. 20% of investment expected to be for On-device AI PCs/smartphones
 - Approx. 30% of investment expected to be for conventional servers/PCs/smartphone

Expanding business opportunities for TEL amid progress in technological innovations (GAA^{*1}, Backside PDN^{*2}, HBM^{*3}, testing in 3D-Integration) for high capacity, ultra-high speed, and low power consumption

^{*1} GAA (Gate All Around)

^{*2} Backside PDN (Power Delivery Network)

^{*3} HBM (High Bandwidth Memory)

: A transistor structure where the channel is surrounded by the gate

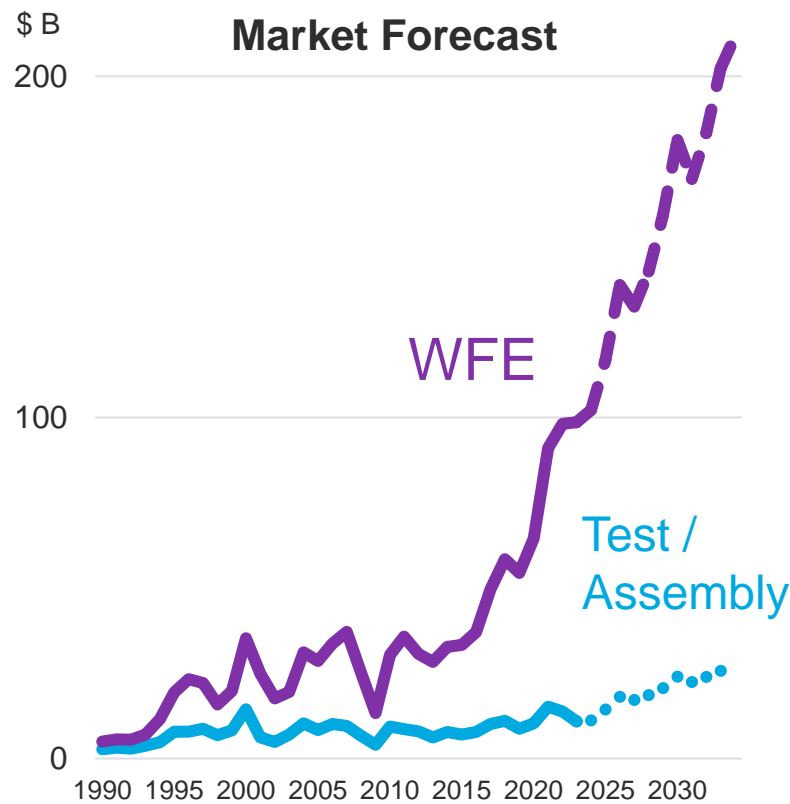
: Structures that arrange power delivery networks on the backside of silicon wafer

FY2025 Q2 Business Progress

- Net sales, profit, etc., achieved all plan targets
 - Q2: Net sales 566.5B yen, Operating profit 148.1B yen, Operating profit margin 26.2%
 - H1: Net sales 1,121.6B yen, Operating profit 313.9B yen, Operating profit margin 28.0%
- Increase in inquiries for leading-edge logic, DRAM for HBM and advanced packaging
 - New product ratio increasing as leading-edge investment for mass production ramps up
 - Expect record-high net sales, GP, GPM, OP, NP, and EPS in FY2025
- Made good progress in evaluation and acquisition of PORs* with strategic products
 - Acquired PORs including high-k deposition for DRAM, productivity enhanced single-wafer cleaning for NAND, temporary bonders for HBM, fusion bonders for leading-edge logic (backside PDN) and probers for DRAM, development PORs including bonders for advanced packaging (SoC)
 - Significant progress towards mass production POR with cryogenic etch for NAND

* POR (Process of Record): Certification of the adoption of equipment in customers' semiconductor production processes

Expanding Biz Opportunities in Scaling and Packaging/Testing



Logic: GAA, BSPDN

- EUV Coater/Developer
- Gas Chemical Etch
- Conductor Etch
- Metal Overburden PVD
- CFET/Inner Spacer Filling Plasma CVD
- Scrubber to process both sides simultaneously
- Backside/Bevel Cleaning
- Pattern Shaping

- Wafer Bonder
- Laser Tool

Logic Packaging

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

Leading-edge Logic/Memory Testing

- Prober: Sales up YoY~2x

DRAM: DDR5, 3DDRAM

- EUV Coater/Developer
- Capacitor Mold Etch: dominant in major companies
- Batch High-k Capacitor Deposition
- Metal Hard Mask PVD
- Super Critical Cleaning
- Backside/Bevel Cleaning

- Wafer Bonder
- Laser Tool

HBM Packaging

- Polyimide, PR Coater/Developer
- Interconnect Etch for HBM
- Aerosol Cleaning
- Temporary Bonder/Debonder

Scaling

NAND: Beyond 4xx

- Slit Etch: dominant in major companies
- Cryogenic Etch
- Batch Mo Deposition
- WL Metal Separation by Wet Etch

- Wafer Bonder
- Laser Tool

Packaging / Testing

Business making good progress towards achieving Medium-term Management Plan targets.
IR Day planned for February 26, 2025

FY2025 Financial Estimates

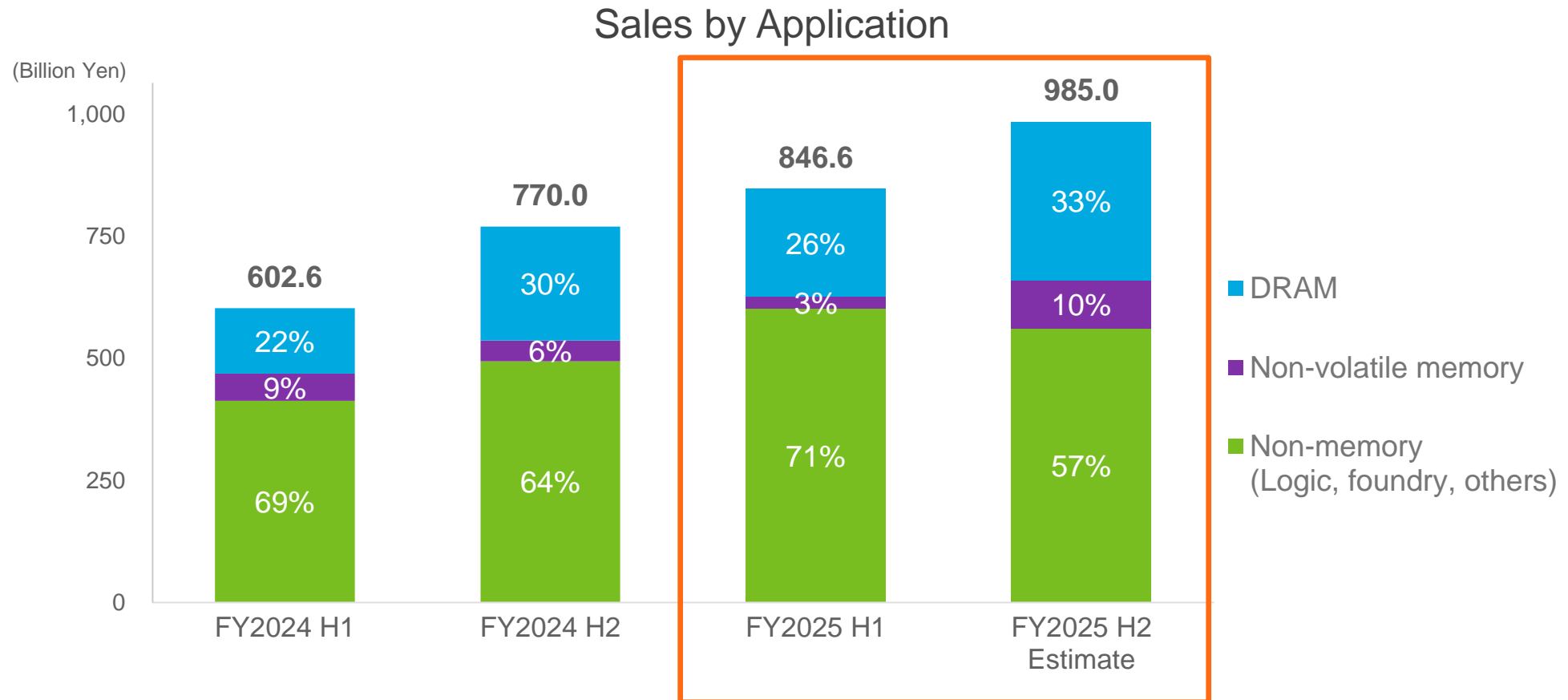
FY2025 Financial Estimates

(Billion Yen)

	FY2024 (Actual)	FY2025				
		H1 (Actual)	H2 (New Estimate)	Full Year (New Estimate)	Full Year Adjustments	Full Year YoY
Net sales	1,830.5	1,121.6	1,278.3	2,400.0	+100.0	+31.1%
Gross profit	830.2	523.9	605.0	1,129.0	+57.0	+36.0%
Gross profit margin	45.4%	46.7%	47.3%	47.0%	+0.4pts	+1.6pts
SG&A expenses	374.0	210.0	238.9	449.0	+4.0	+20.1%
R&D	202.8	115.4	138.6	254.0	+1.0	+25.2%
Other than R&D	171.1	94.5	100.3	195.0	+3.0	+14.0%
Operating income	456.2	313.9	366.0	680.0	+53.0	+49.1%
Operating margin	24.9%	28.0%	28.6%	28.3%	+1.0pts	+3.4pts
Income before income taxes	473.4	320.8	370.1	691.0	+61.0	+46.0%
Net income attributable to owners of parent	363.9	243.9	282.0	526.0	+48.0	+44.5%
Net income per share (Yen)	783.75	528.67	-	1,140.67	+103.73	+356.92

Upwardly revised estimates again. Expect to significantly outperform market growth

FY2025 SPE New Equipment Sales Forecast



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

Expect record-high half-year sales in FY2025H2

FY2025 R&D Expenses and Capex Plan

New Development Building

Deposition system, etch system, corporate R&D



Nirasaki-city, Yamanashi Prefecture
Established in July 2023

Tohoku Production and Logistics Center

Deposition system



Oshu-city, Iwate Prefecture
Completion scheduled for autumn 2025

New Development Building

Coater/developer, cleaning system, bonder



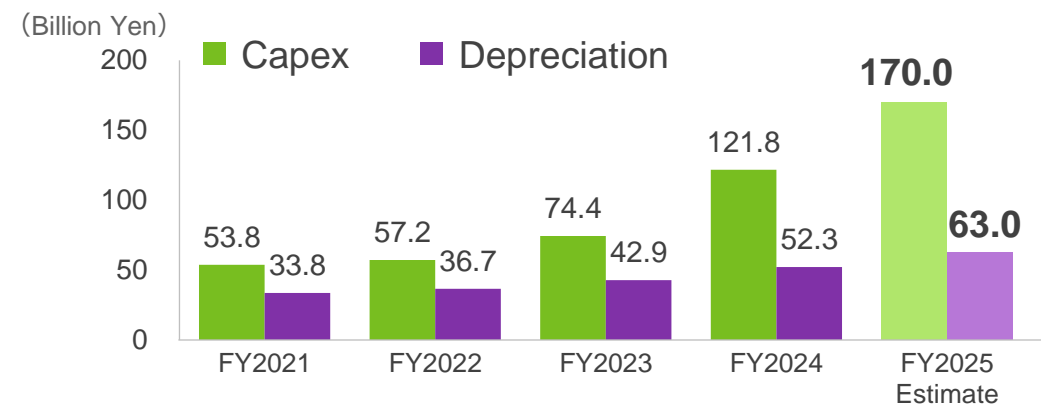
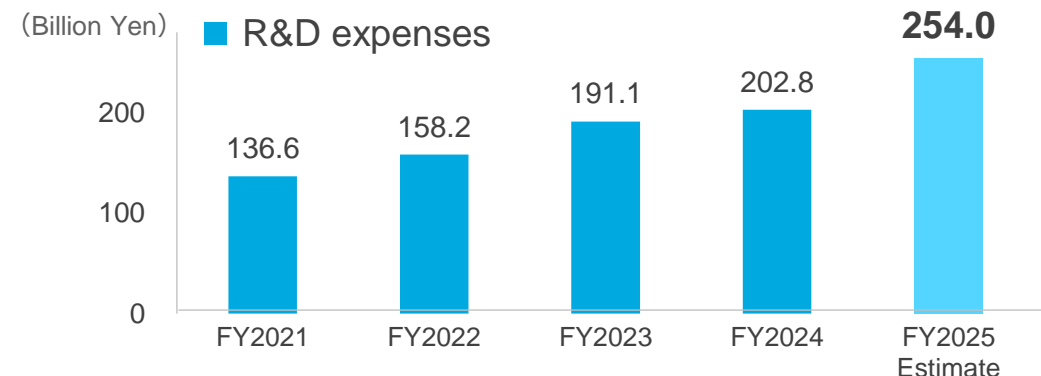
Koshi-city, Kumamoto Prefecture
Completion scheduled for summer 2025

New Development Building

Etch system



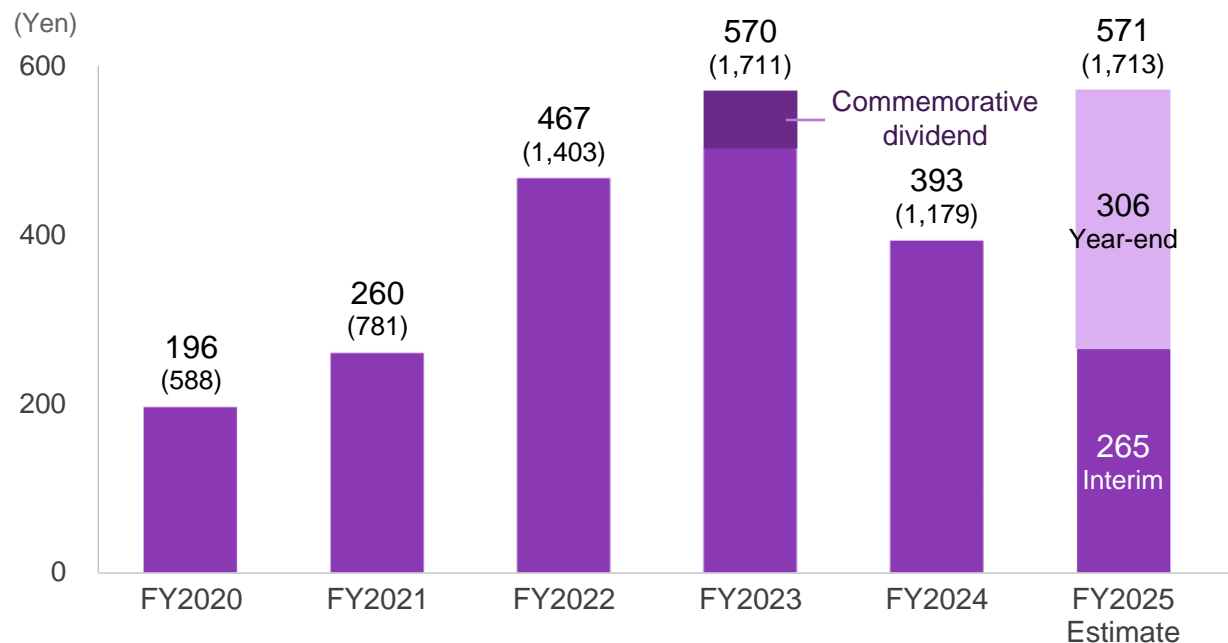
Kurokawa-gun, Miyagi Prefecture
Completion scheduled for spring 2025



Continue aggressive R&D and capital investments for future growth

FY2025 Dividend Forecast

Dividend per Share



- Dividends per share from FY2020 to FY2023 are calculated on the assumption that the stock split was conducted at the beginning of FY2020.
- FY2023 includes the 60th anniversary commemorative dividends.
- Amounts before the stock split are shown in parentheses.

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

*Due to the stock split on April 1, 2023, the amount has been changed from 150 yen to 50 yen.

**Implemented a 3-for-1 common stock split on April 1, 2023.
Full-year dividends are expected to be 571 yen per share**

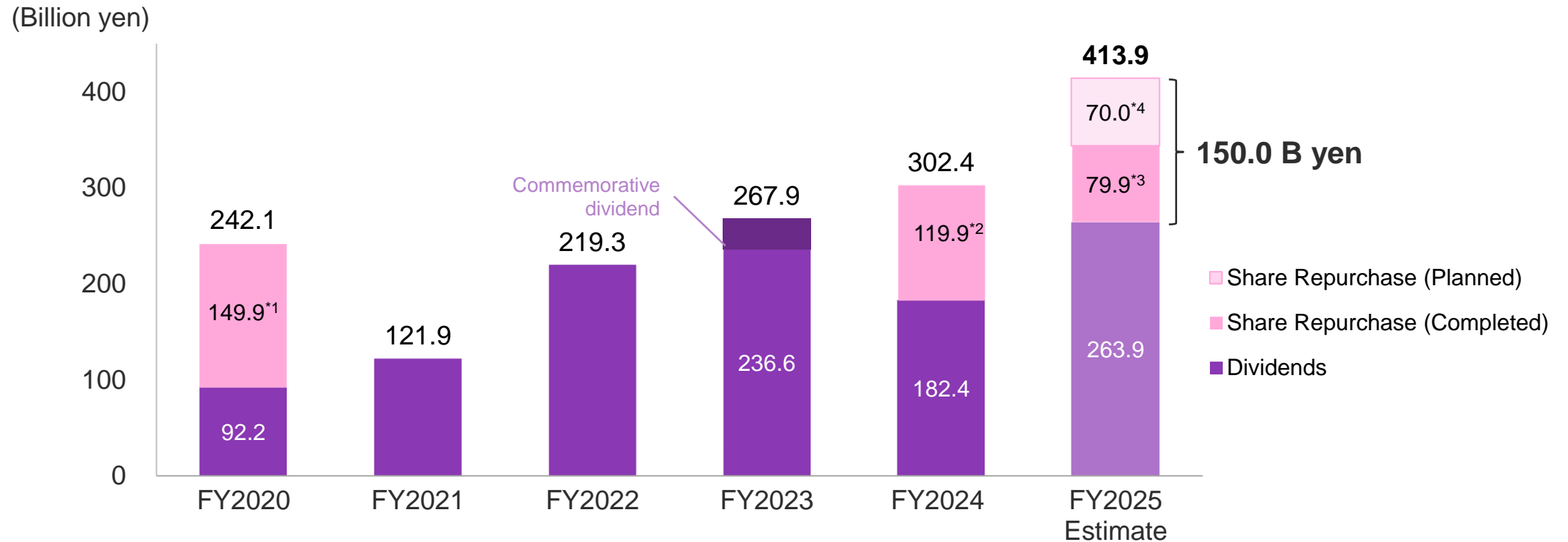
Acquisition of Treasury Stock

Plan to implement share repurchase of up to 70.0B yen

- Type of shares to be acquired : Shares of common stock
- Total number of shares to be acquired : Up to 3.50 million shares
(Equivalent to 0.8% of outstanding shares excluding treasury stock)
- Total cost of acquisition : Up to 70.0 billion yen
- Period of acquisition : From November 13, 2024 to January 31, 2025

TEL will continue to manage our balance sheet flexibly,
considering our ability to generate cash,
necessary cash on hand and growth investment capital

Total Return Amount



*1 https://www.tel.com/news/ir/2020/20200106_001.html

*2 https://www.tel.com/news/ir/2023/de4nhu0000000045-att/20231002_001_e.pdf

*3 https://www.tel.com/news/ir/2024/tnq6pk000000009m-att/20240701_001_e.pdf

*4 https://www.tel.com/news/ir/2024/j1t1r900000000gi-att/20241112_003_e.pdf

Combined with share buyback, total return amount is expected to be record high



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