

# Q3 FY2026 (October - December 2025) Financial Announcement

February 6, 2026

## 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 Tokyo Electron'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 infectious diseases.

- 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 foreign exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.



# Q3 FY2026 Consolidated Financial Summary

February 6, 2026

Hiroshi Kawamoto  
SVP & GM, Division Officer of Finance Division



# Financial Summary (Quarterly)

(Billion yen)

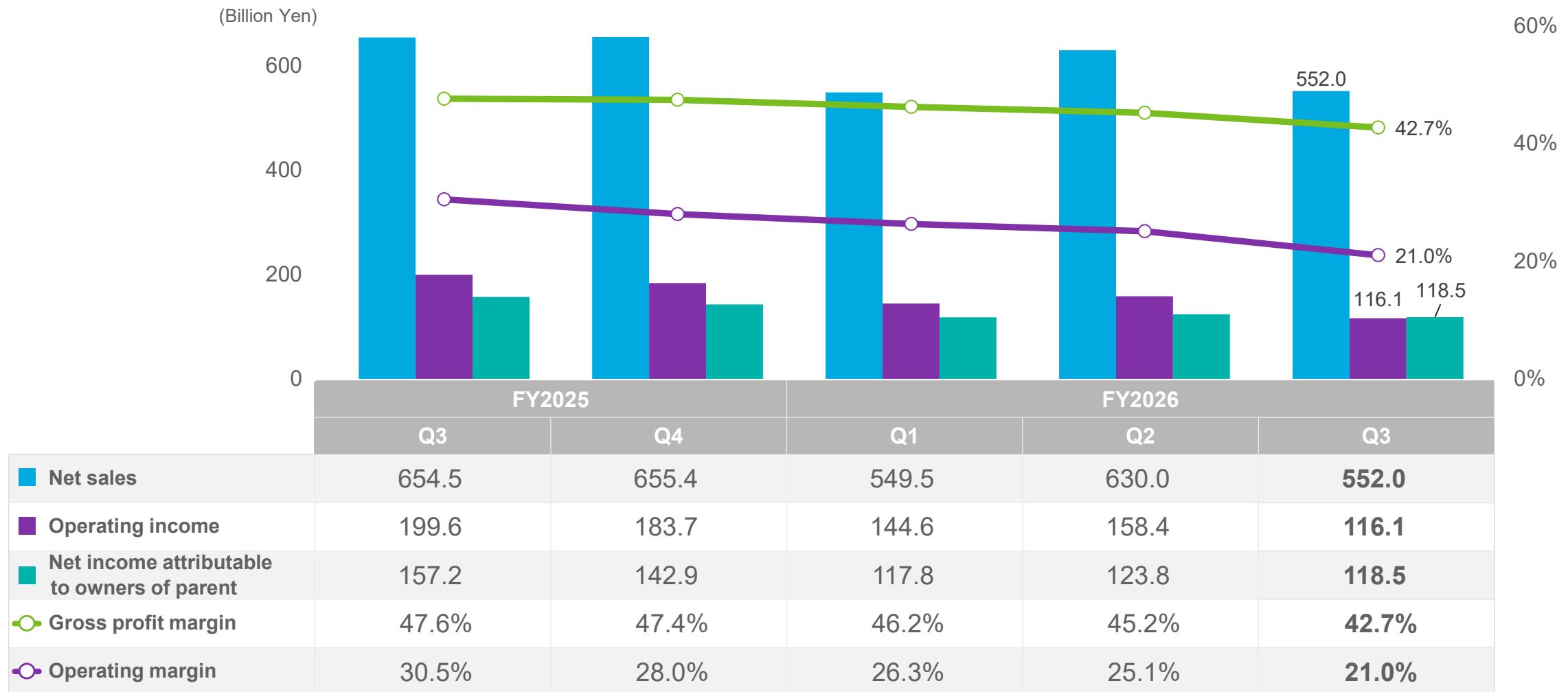
	FY2025		FY2026			vs. Q2 FY2026	vs. Q3 FY2025
	Q3	Q4	Q1	Q2	Q3		
<b>Net sales</b>	654.5	655.4	549.5	630.0	<b>552.0</b>	-12.4%	-15.7%
<b>Gross profit</b>	311.7	310.5	253.9	284.8	<b>235.8</b>	-17.2%	-24.4%
Gross profit margin	47.6%	47.4%	46.2%	45.2%	<b>42.7%</b>	-2.5pts	-4.9pts
<b>SG&amp;A expenses</b>	112.1	126.7	109.2	126.4	<b>119.6</b>	-5.3%	+6.7%
<b>Operating income</b>	199.6	183.7	144.6	158.4	<b>116.1</b>	-26.7%	-41.8%
Operating margin	30.5%	28.0%	26.3%	25.1%	<b>21.0%</b>	-4.1pts	-9.5pts
<b>Income before income taxes</b>	200.1	185.1	151.9	161.0	<b>153.3</b>	-4.8%	-23.4%
<b>Net income attributable to owners of parent</b>	157.2	142.9	117.8	123.8	<b>118.5</b>	-4.3%	-24.6%
R&D expenses	61.8	72.7	62.1	72.6	<b>66.2</b>	-8.9%	+7.2%
Capital expenditures	50.2	34.6	52.8	91.2	<b>30.3</b>	-66.7%	-39.6%
Depreciation and amortization	16.0	18.3	17.1	19.1	<b>21.1</b>	+10.6%	+31.7%

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 foreign exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.

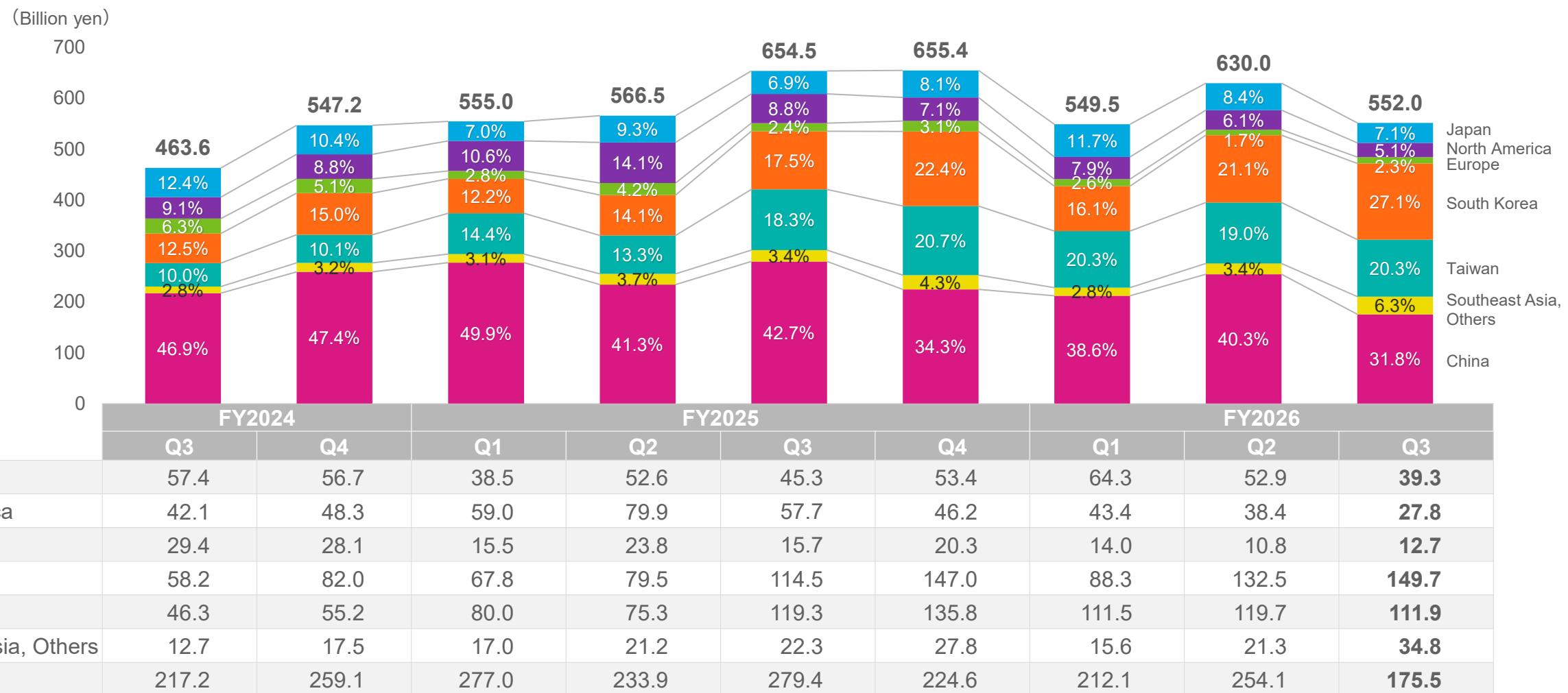
2. Profit ratios are calculated using full amounts, before rounding.

3. FY20xx refers to the financial year ending in March 20xx.

# Financial Performance (Quarterly)

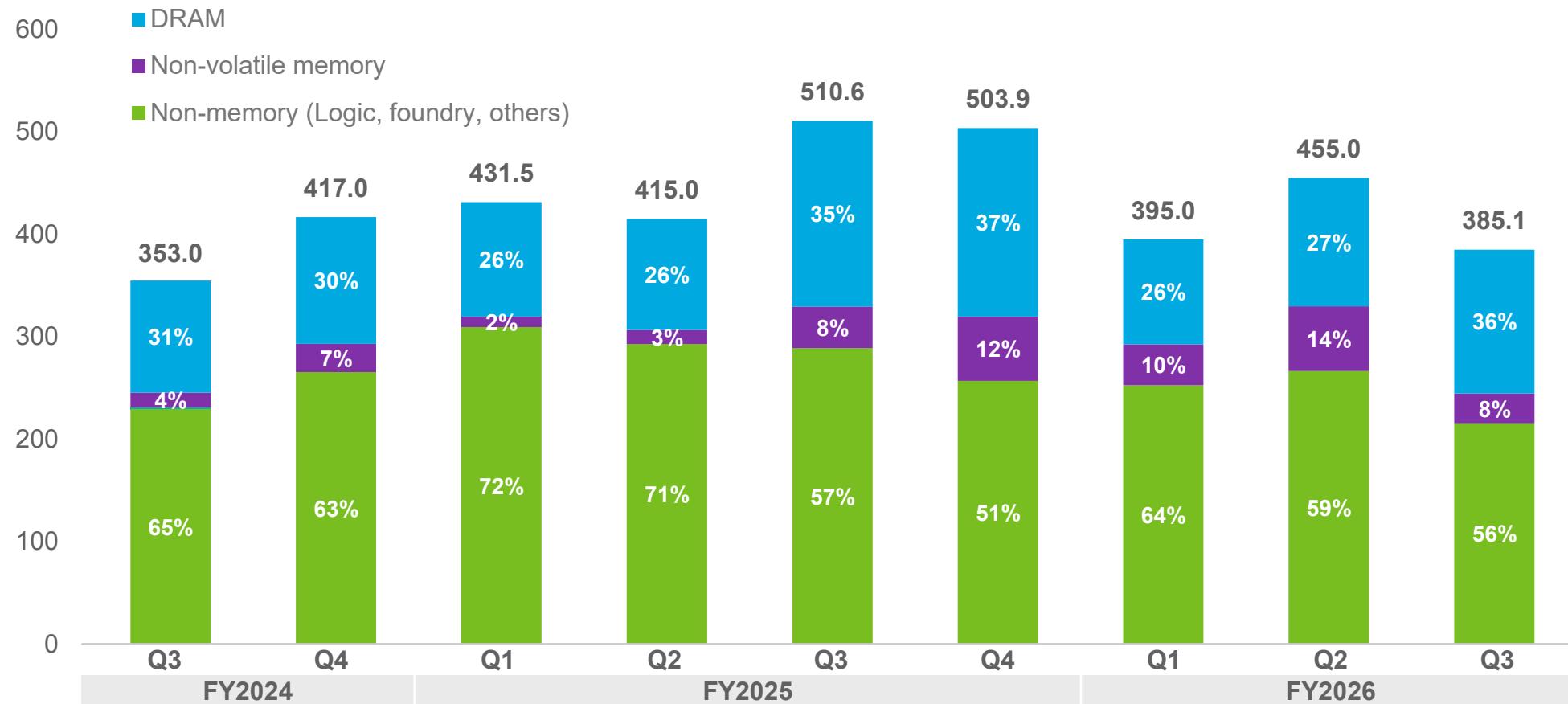


# Composition of Net Sales by Region (Quarterly)



# SPE New Equipment Sales by Application (Quarterly)

(Billion yen)



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)

(Billion yen)

200

150

100

50

0

Q3  
FY2024

Q4

Q1

Q2

FY2025

Q3

Q4

Q1

Q2  
FY2026

Q3

104.4

119.3

118.1

139.5

141.5

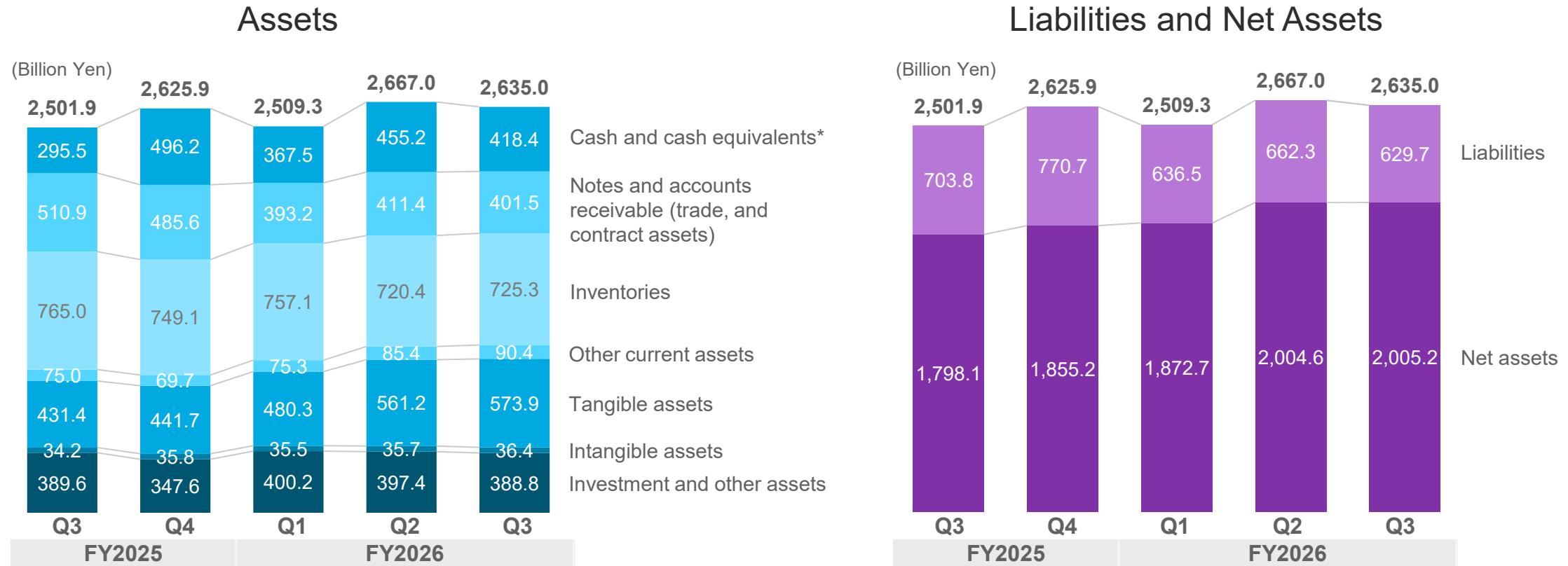
138.9

141.2

160.3

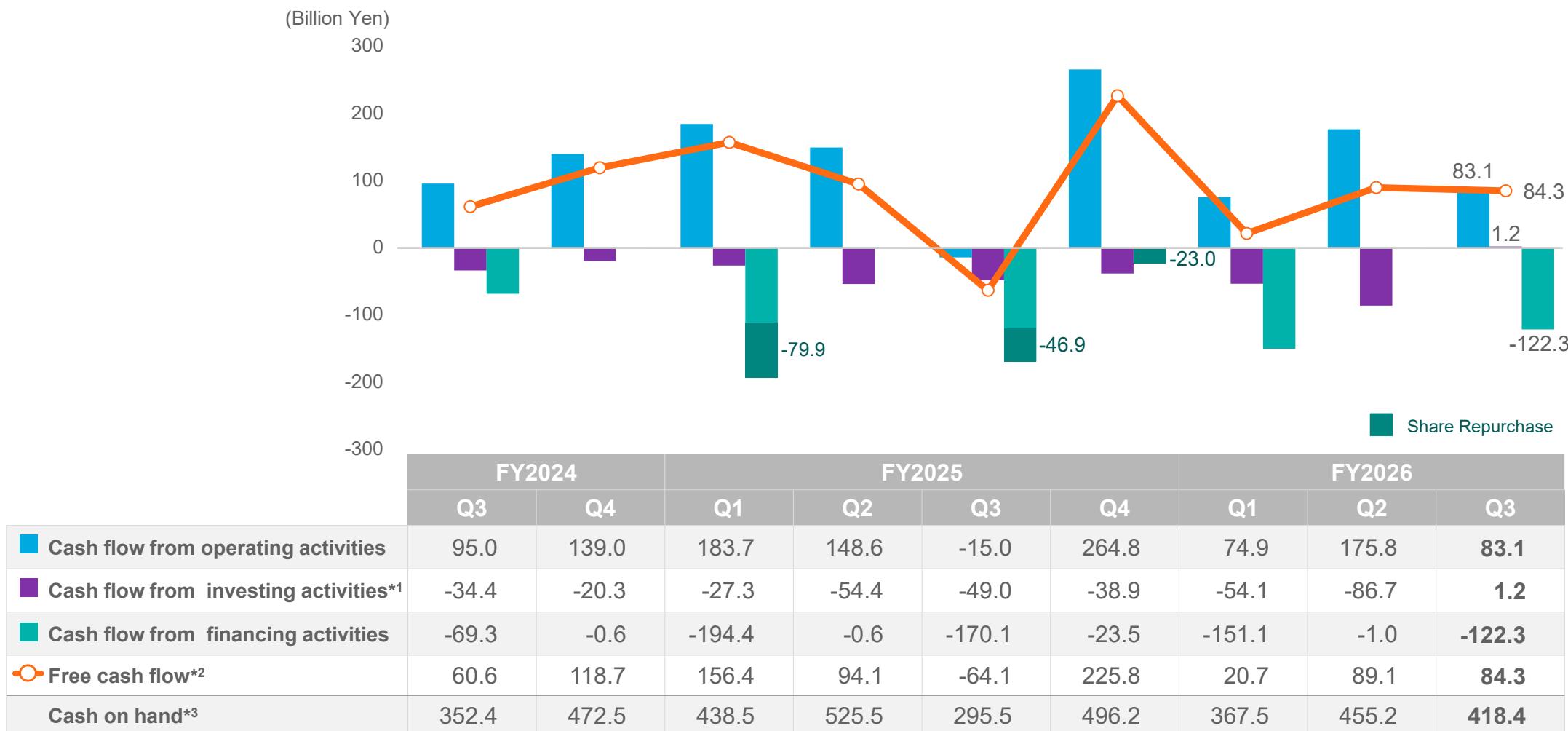
161.6

# Balance Sheet (Quarterly)



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

# Cash Flow (Quarterly)



\*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

February 6, 2026

Toshiki Kawai  
Representative Director, President & CEO



# Market Environment (WFE Market Outlook as of February, 2026)

- CY2026: Expect 15%+ growth
  - Rapid expansion of chip demand for AI servers is driving significant increase in leading-edge logic and DRAM investment
  - Variables: Customer fab cleanroom space, lead times (parts/component supply, labor), exchange rates, etc.
- Over the mid- to long-term, investment in leading-edge semiconductors is expected to continue expanding, driven by strong demand for AI applications
  - DRAM: Investments in both general-purpose DRAM and HBM are surging, with strong demand to bring investment timelines forward
  - NAND: Rapid increase in demand for SSDs. Utilization rate rising, leading to momentum for new investments
  - Logic/foundry: Investment in leading-edge nodes accelerates, with progress in advanced packaging
  - Mature nodes: WFE spending is expected to remain at similar levels

**Demand for high-value-added equipment expected to grow**

# Expanding Business Opportunities in Leading-edge Technologies

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

<b>Etch</b>	<ul style="list-style-type: none"><li>DRAM: HBM interconnect (POR) / Capacitor (POR in all major customers)</li><li>NAND: Slit (POR) / Channel hole (POR)</li><li>Logic: Advanced packaging (POR)</li></ul>
<b>Coater/Developer</b>	<ul style="list-style-type: none"><li>Progress in Ultimate Wet Development technologies for metal oxide resist</li><li>Newly released CLEAN TRACK™ LITHIUS Pro DICE™</li></ul>
<b>Deposition</b>	<ul style="list-style-type: none"><li>Logic: Capacitor high-k material deposition for advanced packaging (POR), evaluation started for gap-filling process with single-wafer plasma CVD</li><li>NAND: Novel low-resistance metal for word line (POR)</li></ul>
<b>Cleaning</b>	<ul style="list-style-type: none"><li>DRAM: Evaluation started with multiple customers for next generation super critical technology</li><li>Logic/memory: Evaluation ongoing with multiple customers for resist stripping (one POR)</li><li>Logic/memory: Evaluation started for hybrid batch &amp; single-wafer system</li></ul>
<b>Prober</b>	<ul style="list-style-type: none"><li>Logic: Dominating the advanced logic market for AI/HPC; prober sales to exceed 100B yen in FY2027</li><li>Die prober: Evaluation started with multiple customers. Release scheduled in April 2026</li></ul>
<b>Bonder/ Laser-related</b>	<ul style="list-style-type: none"><li>Temporary bonder/debonder: HBM wafer thinning</li><li>Permanent bonder: NAND cell + peripheral circuit, logic backside PDN, advanced packaging</li><li>Laser liftoff/trimming: Process evaluation progressing with multiple customers</li><li>Bonder/laser related tools: Expect over 500B yen in accumulative sales in 5 years</li></ul>
<b>Display</b>	<ul style="list-style-type: none"><li>With over 80% share in etch, deployed of high value-added equipment for IT OLED</li></ul>

With the expansion of leading-edge applications in the equipment business,  
AI-related demand is also driving growth in Field Solutions opportunities

# Business Progress

- New tools released to enhance productivity and environmental performance
  - CLEAN TRACK™ LITHIUS Pro DICE™:
    - Latest coater/developer equipped with world-class productivity and innovative defect control technology
  - EVAROS™:
    - CVD/ALD tool capable of high-precision, high-quality deposition control with a maximum processing capacity of 200 wafers
- Wins recognition as a Clarivate Top 100 Global Innovator 2026
  - Received this prestigious award for the 6th time in recognition of consistently delivering high-impact innovations
  - Industry's largest number of active issued patents: 26,029 (as of end of December 2025)

Will keep investing in R&D actively to continuously  
to create innovative, high-value-added proprietary technologies

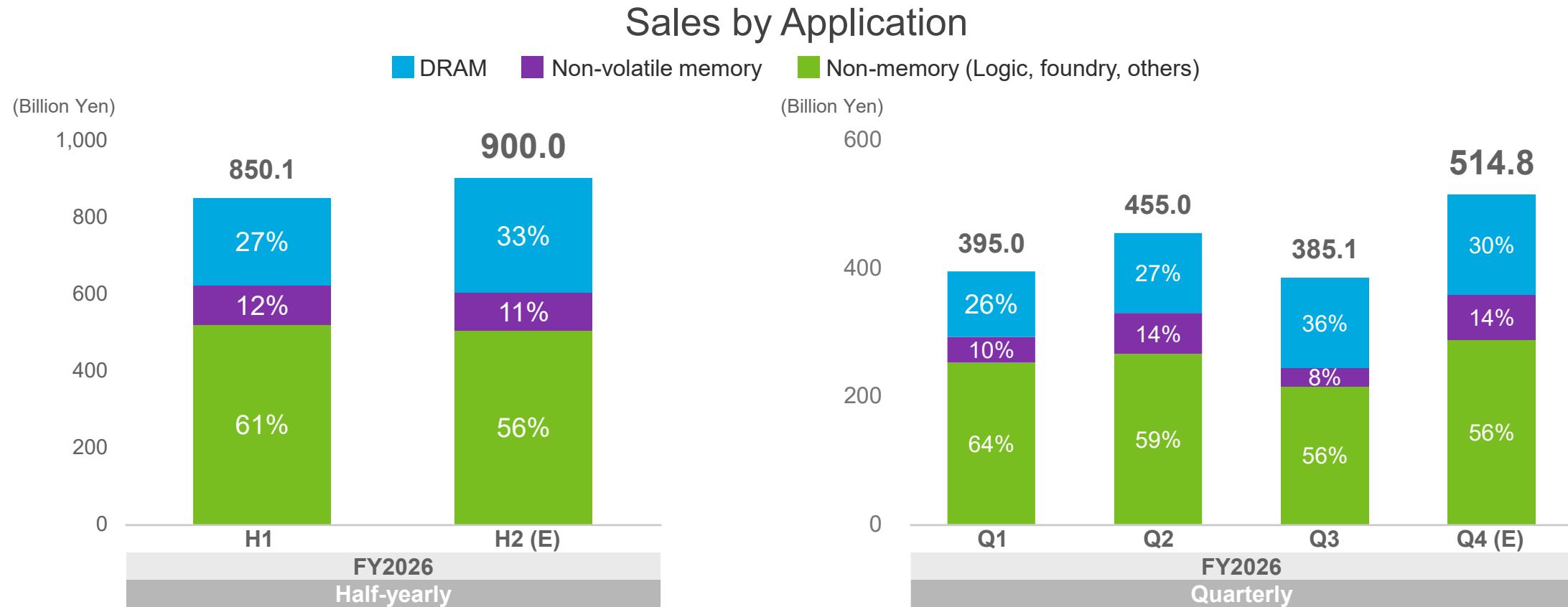
# Financial Estimates for FY2026

	FY2025 (Actual)	FY2026					(Billion Yen)	
		H1 (Actual)	H2 (Updated)	Full Year (Updated)	vs FY2025	Adjustments*	H2	Full Year
<b>Net sales</b>	2,431.5	1,179.6	1,230.3	2,410.0	-0.9%	30.0	1,200.3	2,380.0
<b>Gross profit</b>	1,146.2	538.8	553.1	1,092.0	-4.7%	13.0	540.1	1,079.0
<b>Gross profit margin</b>	47.1%	45.7%	45.0%	45.3%	-1.8pts	-	45.0%	45.3%
<b>SG&amp;A expenses</b>	448.9	235.7	263.2	499.0	+11.1%	6.0	257.2	493.0
R&D	250.0	134.8	155.1	290.0	+16.0%	-	155.1	290.0
Other than R&D	198.9	100.9	108.1	209.0	+5.1%	6.0	102.1	203.0
<b>Operating income</b>	697.3	303.1	289.8	593.0	-15.0%	7.0	282.8	586.0
<b>Operating margin</b>	28.7%	25.7%	23.6%	24.6%	-4.1pts	-	23.6%	24.6%
<b>Income before income taxes</b>	706.1	312.9	401.0	714.0	+1.1%	79.0	322.0	635.0
<b>Net income attributable to owners of parent</b>	544.1	241.6	308.3	550.0	+1.1%	62.0	246.3	488.0
<b>Net income per share (Yen)</b>	1,182.40	527.31	-	1,200.05	+17.65	135.28	-	1,064.77

\* Changes from the figures announced on October 31, 2025

**Full-year outlook revised upward based strong business environment.  
Reflected extraordinary income from additional sales of strategic shareholdings**

# FY2026 SPE New Equipment Sales Forecast



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

Updated SPE new equipment sales forecast for H2 FY2026 to 900.0 billion yen.  
Q4 sales are expected to grow +30% QoQ

# FY2026 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

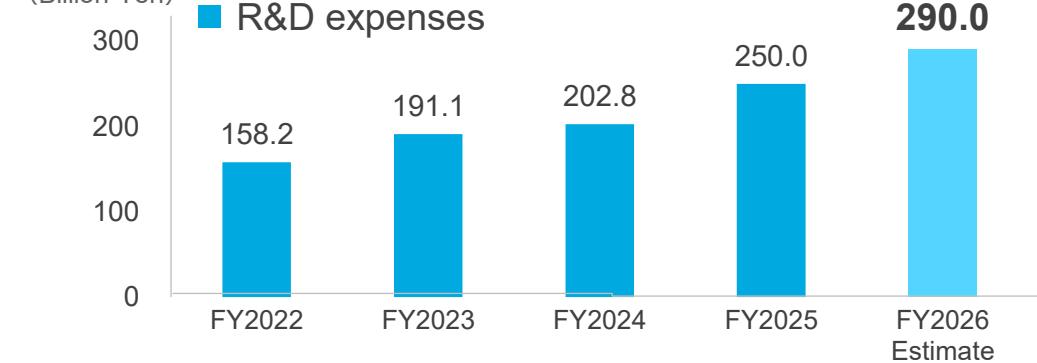
Etch system



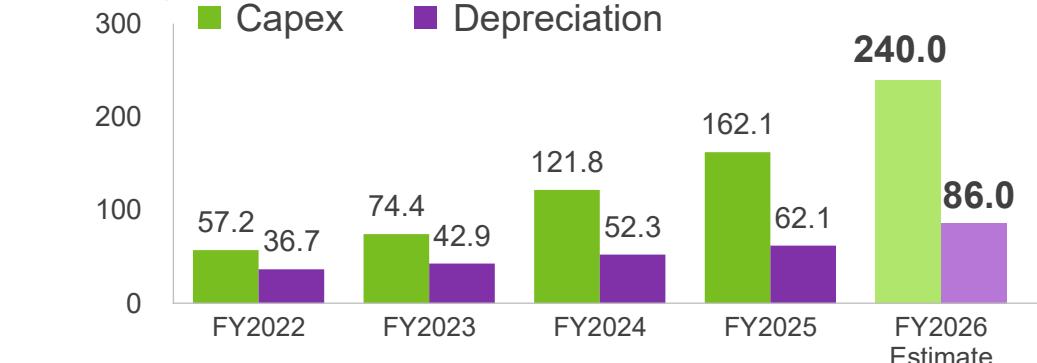
Kurokawa-gun, Miyagi Prefecture

Completion scheduled for summer 2027

(Billion Yen)

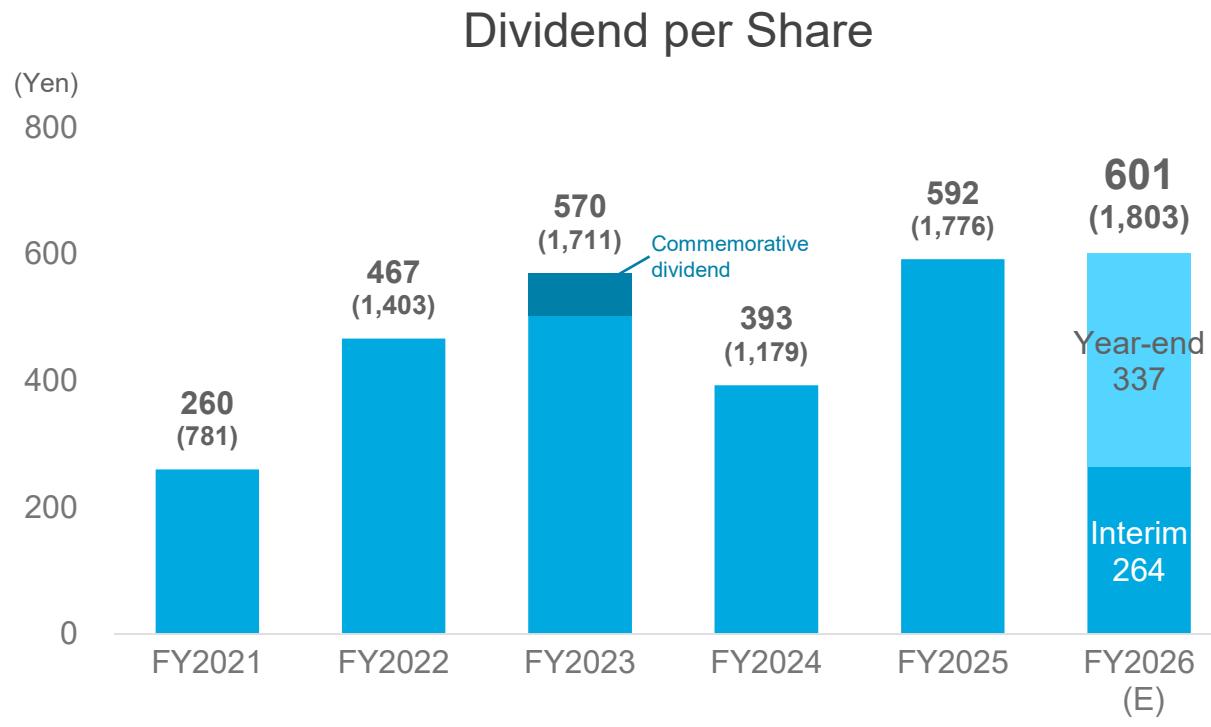


(Billion Yen)



**Established capabilities to support technology innovation and rapid expansion of demand. Leveraging this solid foundation, we will reap the future gains to maximize our corporate value.**

# FY2026 Dividend Forecast



- Dividends per share from FY2021 to FY2023 are calculated on the assumption that the stock split was conducted at the beginning of FY2021.
- FY2023 includes the 60<sup>th</sup> 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.

Full-year dividend estimates are revised upward to be record-high 601 yen per share

# Acquisition of Treasury Stock

## Plan to implement share repurchase of up to 150B yen

- Type of shares to be acquired: Shares of common stock
- Total number of shares to be acquired: Up to 7.5 million shares  
(Equivalent to 1.6% of outstanding shares excluding treasury stock)
- Total cost of acquisition: Up to 150 billion yen
- Period of acquisition: From February 9, 2026 to March 31, 2026

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

# Total Return Amount

(Billion yen)

500

400

300

200

100

0

FY2021

FY2022

FY2023

FY2024

FY2025

FY2026  
Estimate

Commemorative  
dividend

267.9

236.5

302.4

119.9

182.4

422.7

149.9

272.7

426.2

150.0<sup>\*1</sup>

276.2

- Share Repurchase (Planned)
- Share Repurchase (Completed)
- Dividend

\*1 [https://www.tel.com/news/ir/2026/i85lab0000000nn-att/02062026\\_002\\_e.pdf](https://www.tel.com/news/ir/2026/i85lab0000000nn-att/02062026_002_e.pdf)

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

The logo consists of the letters 'TEL' in a bold, blue, sans-serif font. The letter 'E' is unique, featuring a small, solid green square positioned in the upper right quadrant of its vertical stroke.

TEL

TOKYO ELECTRON

# Invitation to Small Meeting Hosted by Tokyo Electron

For institutional investors and analysts

This will be a follow-up session for the Q3 FY2026 earnings briefing.

- Date & Time:

- English session Friday, February 20, 2026, 8:00 a.m.-9:00 a.m. (JST)
- Japanese session Thursday, February 19, 2026, 10:30 a.m. - 11:30 a.m. (JST)

- Speakers:

- Koichi Yatsuda, Global Head of Investor Relations
- Junko Takagi, Vice President of Investor Relations

- Format:

- Webinar

- Preregistration link:

- [https://app.msetsu.com/stocks/8035/ir\\_events](https://app.msetsu.com/stocks/8035/ir_events)

