

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



Good afternoon. I am Kawamoto of Finance Division. I would like to present the consolidated financial summary of the third quarter of the fiscal year ending March 2026.

Financial Summary (Quarterly)

(Billion yen)

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

Investor Relations / February 6, 2026

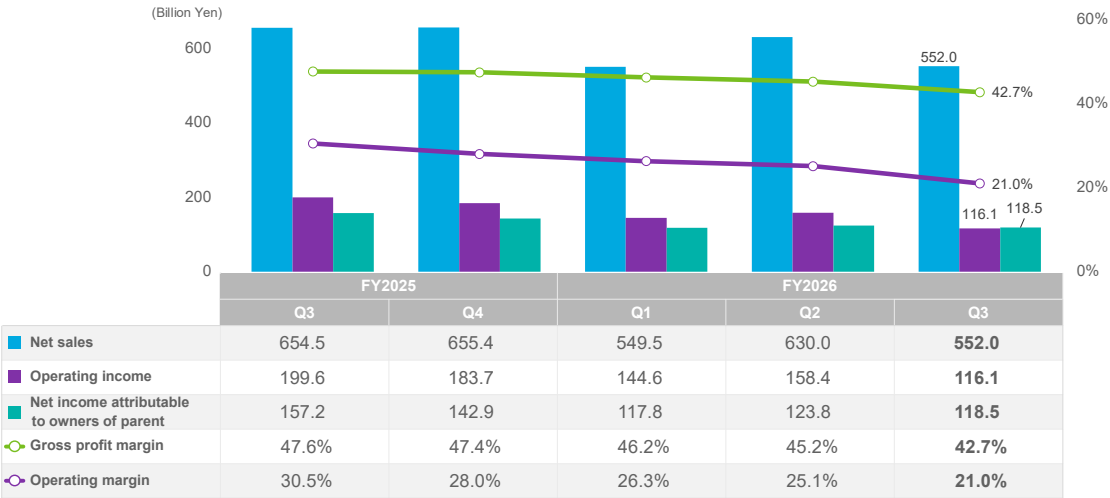
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This slide shows the quarterly financial summary. I will mainly refer to the figures in the blue box.

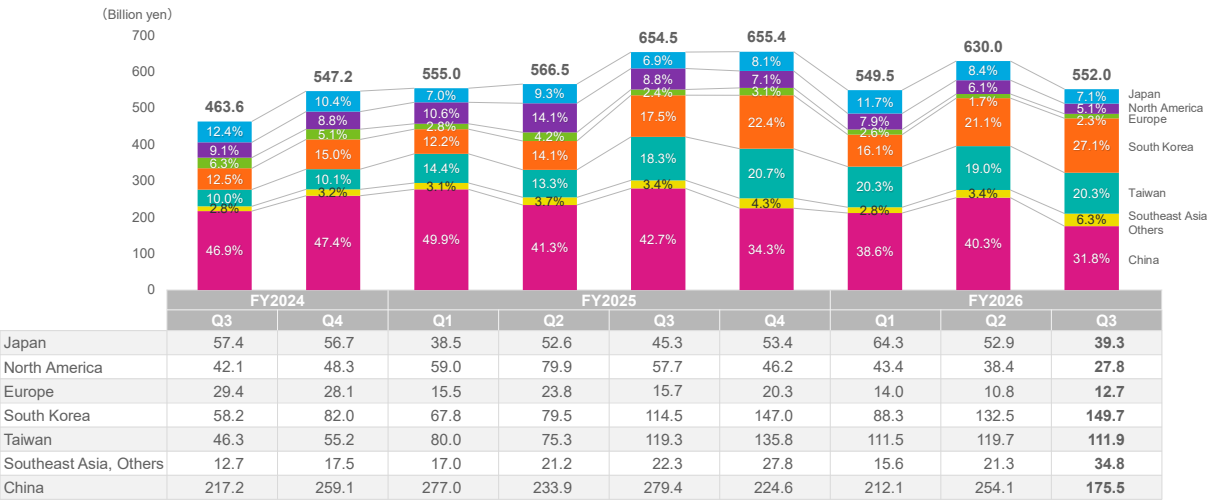
In the third quarter, we generated net sales of 552.0 billion yen, 12.4% decline quarter over quarter. Net sales in the third quarter were tentatively at a low level, due to such a reason as shipment timing, but in the fourth quarter, net sales are expected to rise as planned. Gross profit was 235.8 billion yen, 17.2% decrease from the previous quarter. Gross profit margin was 42.7%, 2.5-percentage-point drop quarter over quarter, due to the product mix change and the like. Operating income was 116.1 billion yen, 26.7% decrease from the previous quarter. Operating profit margin was 21.0%, declined by 4.1 percentage points quarter over quarter, mainly due to increase of fixed cost ratio against net sales along with the decline of net sales. Income before income taxes dropped by 4.8% to 153.3 billion yen. Net income attributable to owners of parent was 118.5 billion yen, 4.3% decline quarter over quarter. In the third quarter, we sold part of strategic-shareholdings, recording extraordinary income of 37.2 billion yen. Capital expenditures in the third quarter were 30.3 billion yen.

Financial Performance (Quarterly)



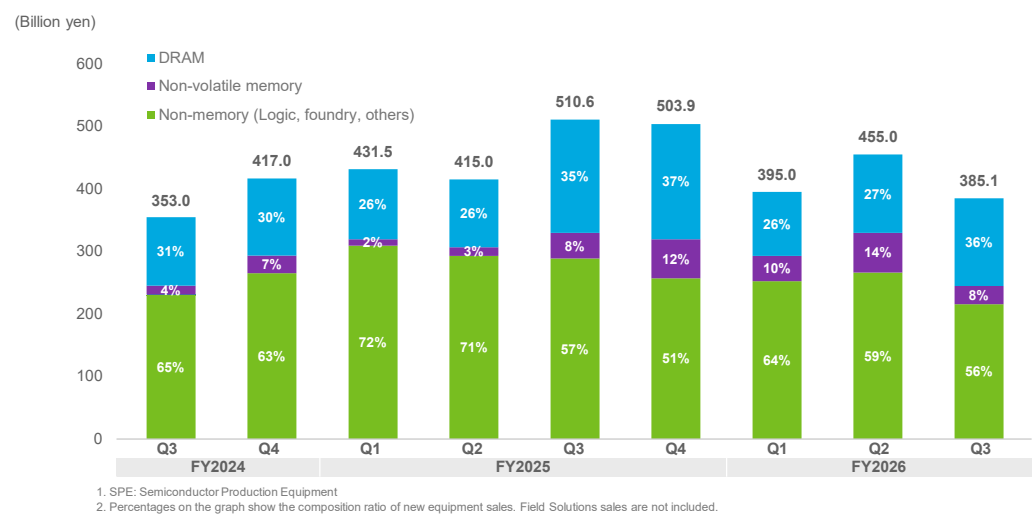
This is a graphic representation of the financial summary shown on the previous page on the chronological basis, for your reference.

Composition of Net Sales by Region (Quarterly)



This slide shows net sales by region. As for the composition in the third quarter, proportion of South Korea rose by 6 percentage points from the previous quarter to 27.1%. Proportion of sales in China dropped to 31.8% as expected, 8.5 percentage point decline quarter over quarter.

SPE New Equipment Sales by Application (Quarterly)



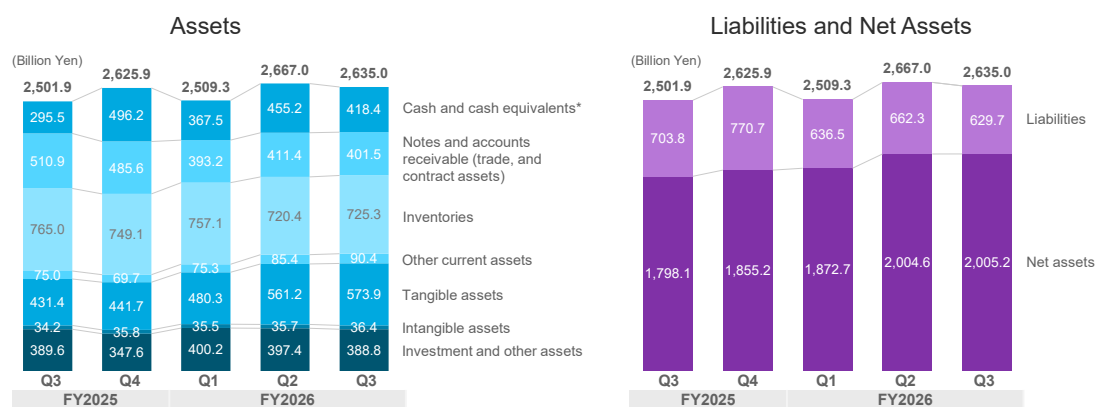
This shows SPE new equipment sales by application. In the third quarter, from the bottom of this chart, sales to non-memory customers accounted for 56%, non-volatile memory accounted for 8%, and DRAM accounted for 36%. Though SPE new equipment sales declined from the previous quarter, sales to DRAM customers were strong, recording 12% increase quarter over quarter.

Field Solutions Sales (Quarterly)



This slide shows the Field Solutions sales. In the third quarter, Field Solutions sales were 161.6 billion yen. Thanks to increasing utilization rate of the customers' fabs, sales of spare parts were strong, and following the second quarter, modification sales remained at a high level.

Balance Sheet (Quarterly)



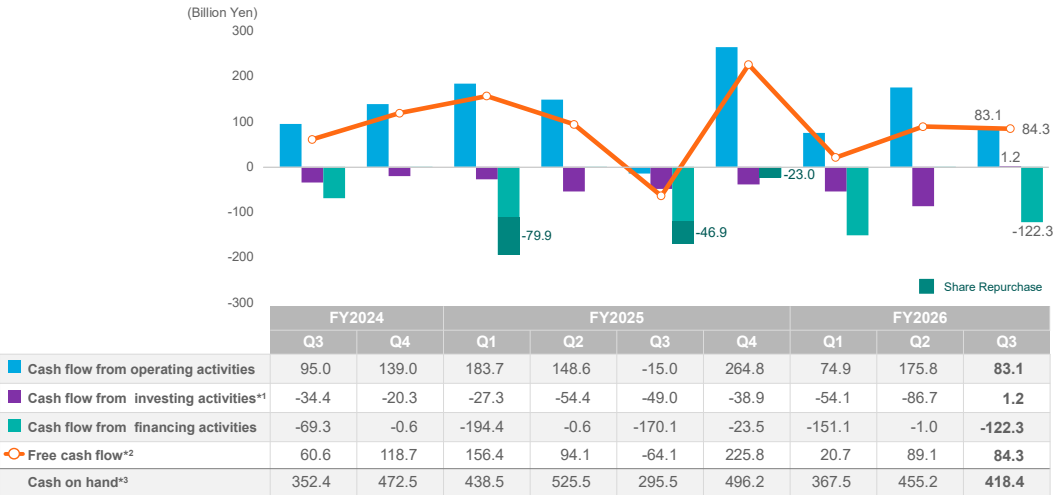
*Cash and cash equivalents: "Cash and deposits" + "Short-term investments", etc. ("Securities" in Balance Sheet).

This slide shows the balance sheet.

Total assets were 2 trillion 635.0 billion yen. Cash and cash equivalents were 418.4 billion yen, decreasing by 36.7 billion yen from the previous quarter. Notes and accounts receivable were 401.5 billion yen, declining by 9.8 billion yen quarter over quarter. Inventories were 725.3 billion yen, increasing by 4.9 billion yen from the previous quarter. Tangible assets were 573.9 billion yen, increasing by 12.6 billion yen from the previous quarter.

For the liabilities and net assets shown on the right-hand side, liabilities were 629.7 billion yen, declining by 32.6 billion yen quarter over quarter. Net assets were 2 trillion 5.2 billion yen, rising by 0.6 billion yen quarter over quarter.

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.

This slide shows the cash flow.

The cash inflow from operating activities in the third quarter was 83.1 billion yen. The cash inflow from investing activities was 1.2 billion yen, as a result of acquisition of tangible fixed assets and sales of investment in securities among others. The cash outflow from financing activities was 122.3 billion yen due to dividend payment. Free cash flow was plus 84.3 billion yen.

This concludes my presentation. Thank you very much.

Business Environment and Financial Estimates

February 6, 2026

Toshiki Kawai
Representative Director, President & CEO



This is Kawai. Thank you very much for joining us today. I will present “Business Environment and Financial Estimates”.

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

Let me start with the business environment. Currently, CY2026 WFE market is expected to grow by more than 15% YoY. Although we need to closely watch our customers' cleanroom space, status of parts and materials procurement by SPE vendors, and response to manufacturing labor force, considering current strong inquiries, we can expect more than 20% growth YoY.

Driven by growing demand for AI applications, investment for leading-edge semiconductors is expected to increase continuously in a mid and long-time span, along with technology innovation.

For DRAM, investment not only for HBM but also for commodity DRAM is increasing sharply. Due to the supply constraint, we received a lot of further delivery pull-in requests.

For NAND, along with an increase of demand for SSD for data centers, namely enterprise SSD, utilization rate of customers' fabs is going up, leading to new investment.

For logic, pursuing device scaling to 2 nm and 1.4 nm, further investment growth is expected in the future. The needs for advanced packaging and testing are accelerating day by day. They become more and more important.

For mature nodes, investment is expected to continue almost at the current level. Driven by these factors, CY2026 WFE market is expected to hit a record high, exceeding 130 billion dollars in size at least.

Expanding Business Opportunities in Leading-edge Technologies

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

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

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

The WFE market for high-end devices mainly for AI servers is expected to grow with CAGR of 10% toward CY2030. As further scaling, more stacking, and higher performance are required, Tokyo Electron has made a great achievement since April in this fiscal year alone, in the product fields of etching, coater/developer, film deposition, and cleaning, as shown in this slide.

Also, the testing and advanced packaging areas are growing significantly. In the next fiscal year, our prober business is expected to generate sales of more than 100 billion yen in total. In the 3D integration area, including bonders and laser-related systems, referred to as process between frontend and backend, we expect cumulative sales of over 500 billion yen by CY2030.

Regarding etching for display, our share has reached more than 80%, providing a big business opportunity.

Due to the expand of SPE business opportunity as well as growing utilization rate of customers' fabs, Field Solutions opportunities will be increasing.

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

It has been our industry consensus that the semiconductor market will grow to 1 trillion dollars in size in CY2030. According to the latest WSTS statistics released in December 2025, however, the market is expected to reach 975 billion dollars in CY2026, getting very close to 1 trillion dollars. Market growth is accelerating. As such drastic market growth is expected, in SEMICON Japan held last December, we released two new products designed to improve productivity and environmental performance.

The first one is “CLEAN TRACK LITHIUS Pro DICE”, a state-of-the-art system, developed through further evolution of our coater/developer with over 90% global share, featuring world-class productivity and innovative defect control technology. We have started delivering this system to multiple customers including for EUV lithography applications.

The other is “EVAROS”, a thermal-treatment deposition system. By using a novel multi-zone control heater, it has achieved high thermal uniformity and drastic reduction of temperature rising and lowering time. Further enhancement of productivity is realized by high throughput of up to 200 wafers per batch and shorter wafer transfer time. CO₂ emissions per wafer can be reduced by 25% from the conventional system. The number of patents Tokyo Electron held at the end of 2025 was 26,029, World No.1 in the SPE industry. Clarivate granted us the “Top 100 Global Innovator 2026” award, recognizing our continuous effort to create sophisticated inventions. We received this award six times in total in the fifth consecutive year.

To continuously create innovative, high-value-added, “One-and-Only”, “No.1” technologies, we will keep investing in R&D actively.

Financial Estimates for FY2026

(Billion Yen)								
	FY2025 (Actual)	FY2026					Reference: FY2026 Estimate as of October 31	
		H1 (Actual)	H2 (Updated)	Full Year (Updated)	vs FY2025	Adjustments*	H2	Full Year
Net sales	2,431.5	1,179.6	1,230.3	2,410.0	-0.9%	30.0	1,200.3	2,380.0
Gross profit	1,146.2	538.8	553.1	1,092.0	-4.7%	13.0	540.1	1,079.0
Gross profit margin	47.1%	45.7%	45.0%	45.3%	-1.8pts	-	45.0%	45.3%
SG&A expenses	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
Operating income	697.3	303.1	289.8	593.0	-15.0%	7.0	282.8	586.0
Operating margin	28.7%	25.7%	23.6%	24.6%	-4.1pts	-	23.6%	24.6%
Income before income taxes	706.1	312.9	401.0	714.0	+1.1%	79.0	322.0	635.0
Net income attributable to owners of parent	544.1	241.6	308.3	550.0	+1.1%	62.0	246.3	488.0
Net income per share (Yen)	1,182.40	527.31	-	1,200.05	+17.65	135.28	-	1,064.77

* Changes from the figures announced on October 31, 2025

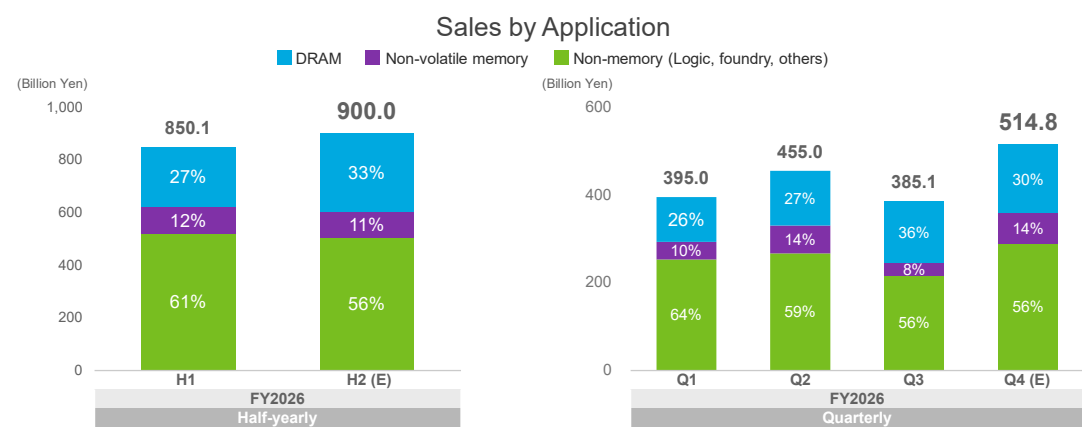
Full-year outlook revised upward based strong business environment.
 Reflected extraordinary income from additional sales of strategic shareholdings

Next, I will present the financial estimates.

Reflecting the current strong business environment, we have revised the FY2026 full-year financial estimates upward. As shown here, we expect net sales of 2 trillion 410 billion yen, gross profit margin of 45.3%, and operating profit margin of 24.6%.

We have decided to sell additional strategic shareholdings in the fourth quarter as well. Reflecting these factors, net income attributable to owners of parent is expected to be 550.0 billion yen.

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

This slide shows FY2026 SPE new equipment sales forecast by application. The SPE new equipment sales in the second half of this fiscal year have been revised to 900.0 billion yen, by taking account of active demand for AI servers. As shown on this slide, in the fourth quarter, the SPE new equipment sales are expected to grow by more than 30% from the third quarter, driven mainly by sales to logic and foundry customers.

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

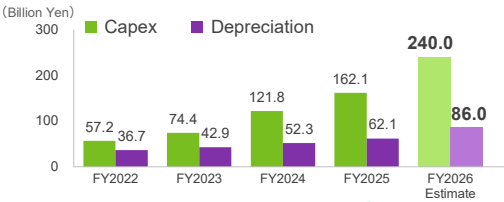
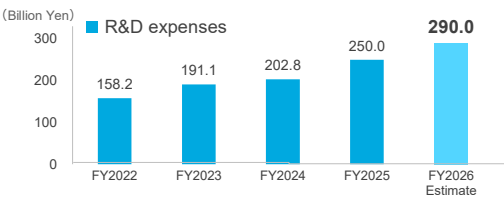


Oshu-city, Iwate Prefecture
Completed in November 2025

Miyagi Innovative Production Center
Etch system



Kurokawa-gun, Miyagi Prefecture
Completion scheduled for summer 2027



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.

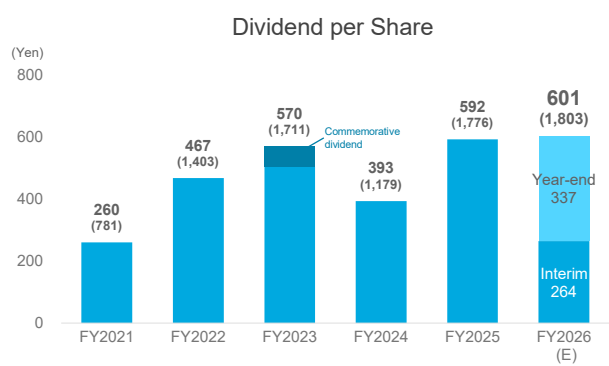
This shows our plan for R&D expenses and capex. Following completion of the Miyagi new development building in April, construction of a new development building in Kumamoto was completed in October. And in November, a production and logistics center in Iwate was completed. In Miyagi, we also plan to complete a new production building at the end of next July, which will adopt next-generation smart manufacturing concept.

R&D expenses and capex in FY2026 are shown on this slide. There have been no changes from the financial announcement in October 2025.

We believe that, by implementing these investments for growth as planned, we have made ourselves ready for the significant market growth ahead, as we have established agile responsiveness to support semiconductor technology innovation and production capacity to meet rapidly-growing demand in CY2026.

Leveraging this solid foundation, we will capture future opportunities for monetization 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 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.

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

This slide shows the dividend forecast. Reflecting the revisions of financial estimates, we have revised full-year dividend per share upward from 533 yen to 601 yen, increasing by 68 yen, which hits all-time high.

Acquisition of Treasury Stock

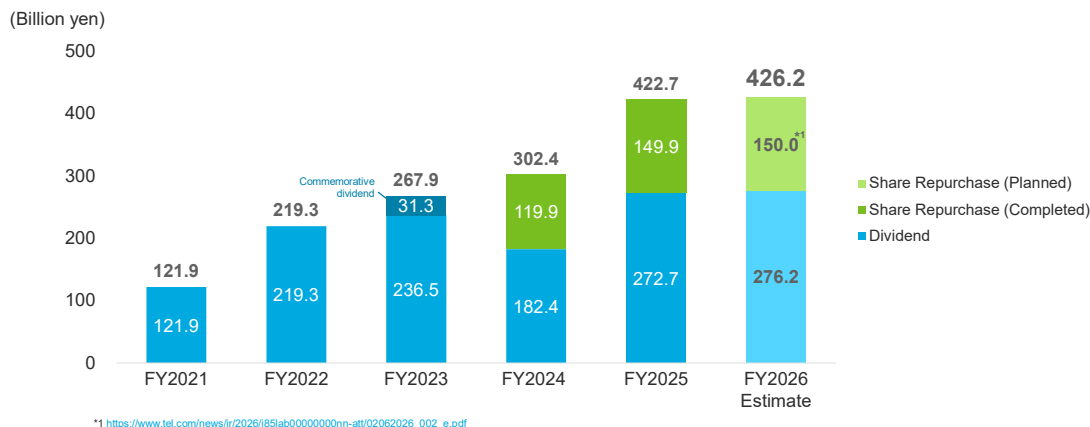
Plan to implement share repurchase of up to 150B yen

- 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

In the Board of Directors meeting today, we decided to implement share repurchase of up to 150 billion yen. This decision was made by giving comprehensive consideration to our growing capacity to generate cash, as well as enhancement of cash position and capital efficiency, expected based on our expanding business opportunities in the next fiscal year onward. We will conduct appropriate balance sheet management.

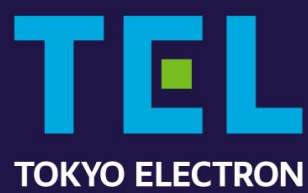
Total Return Amount



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

This is my last slide showing the total return amount. In this fiscal year, total return amount is expected to be 426.2 billion yen, beating the previous record of the last fiscal year and setting a new record, combining the dividend estimates and the share buyback announced today.

This concludes my presentation. Thank you very much for your kind attention.



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

