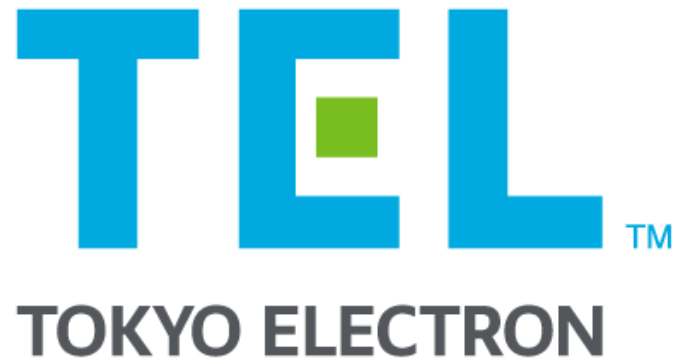


The 59th Annual General Meeting of Shareholders



June 21, 2022

FY2022 Financial Report

(FY2022 : April 1, 2021 – March 31, 2022)

Consolidated Statement of Income

(Billion yen)

	FY2021 (%)		FY2022 (%)		Variance
Net sales	1,399.1	100.0	2,003.8	100.0	604.7
Gross profit	564.9	40.4	911.8	45.5	346.8
Operating income	320.6	22.9	599.2	29.9	278.5
Ordinary income	322.1	23.0	601.7	30.0	279.6
Income before income taxes	317.0	22.7	596.6	29.8	279.6
Net income attributable to owners of parent	242.9	17.4	437.0	21.8	194.1

Achieved record highs in sales and all profit categories

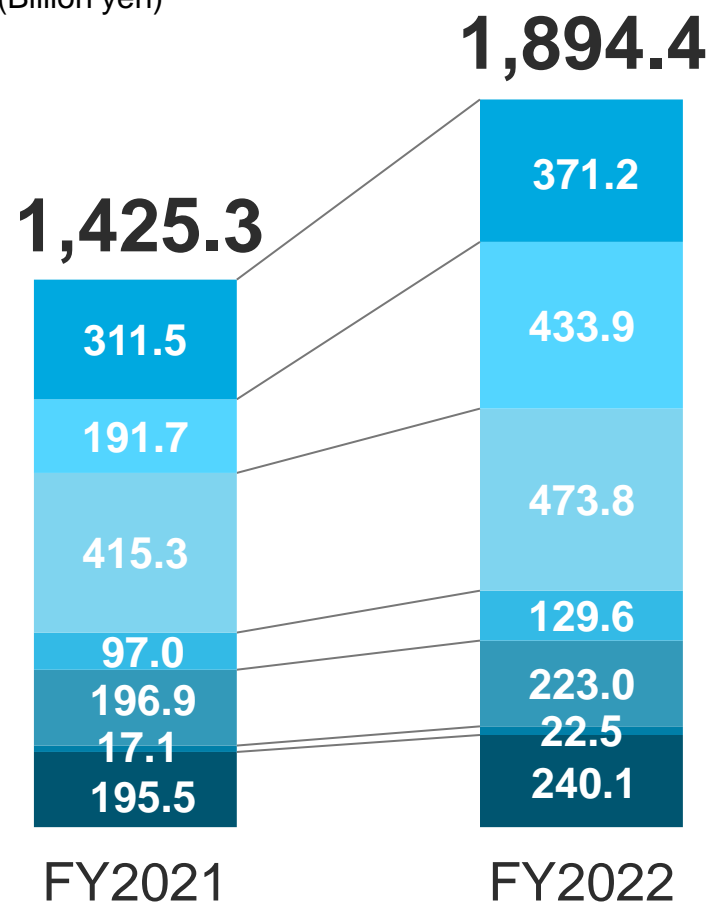
*Since the beginning of FY2022, the Company has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29). Changes in percentage are based on consolidated financial results without the effects of the new standards of the same period of the previous fiscal year.

FY2022 Business Performance Background

- **Accelerated shift toward data-driven society**
- **Growing importance of semiconductors as a growth driver**
- **Smooth progression of our business activities in focus areas**
 - ✓ **Ongoing R&D investment (Approx. 600 billion yen over 5 years)**
 - ✓ **Outperformed market growth due to increased adoption of high value-added leading-edge equipment**

Consolidated Balance Sheet

Assets (Billion yen)



Cash and cash equivalents*

Notes and accounts receivables - trade, and contract assets

Inventories

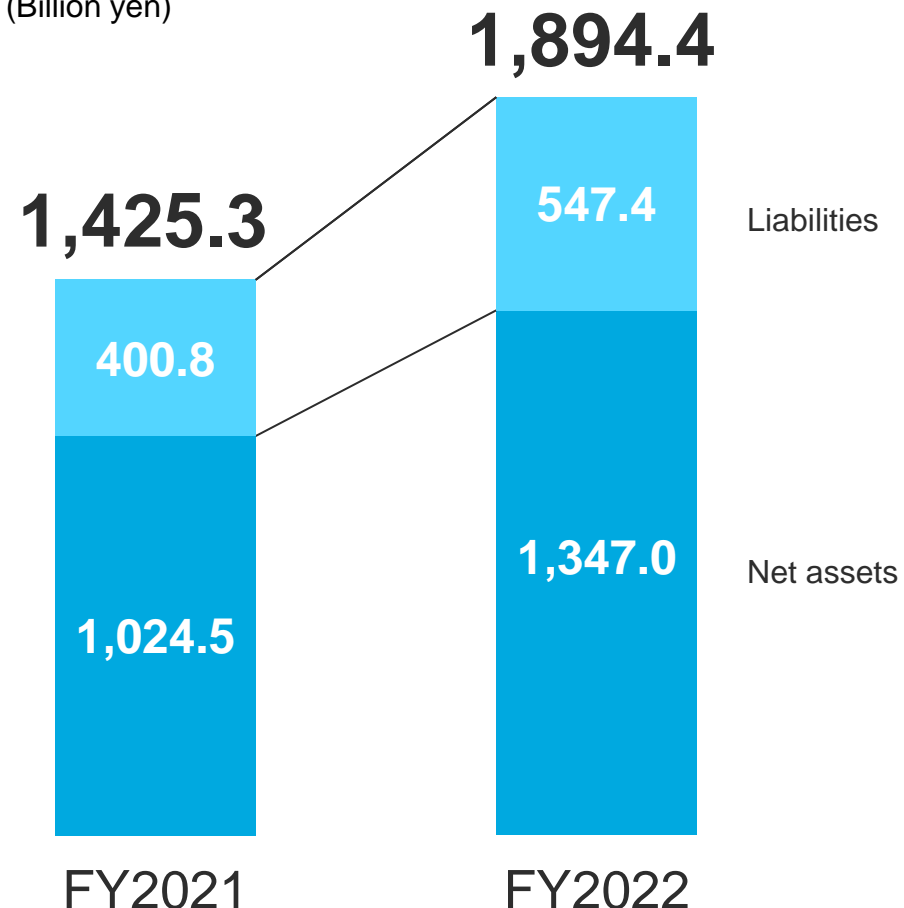
Other current assets

Tangible assets

Intangible assets

Investments & other assets

Liabilities & Net Assets (Billion yen)



Liabilities

Net assets

*Includes time deposits + short-term investments (indicated as securities on the balance sheet)

Non-consolidated Financial Statement

■ Statement of Income

(Billion yen)

	FY2021		FY2022		Variance
		(%)		(%)	
Net sales	1,292.8	100.0	1,842.5	100.0	+549.6
Operating income	164.0	12.7	306.6	16.6	+142.6
Ordinary income	260.1	20.1	452.1	24.5	+192.0
Income before income taxes	259.2	20.1	452.2	24.5	+192.9
Net income	211.4	16.4	358.0	19.4	+146.6

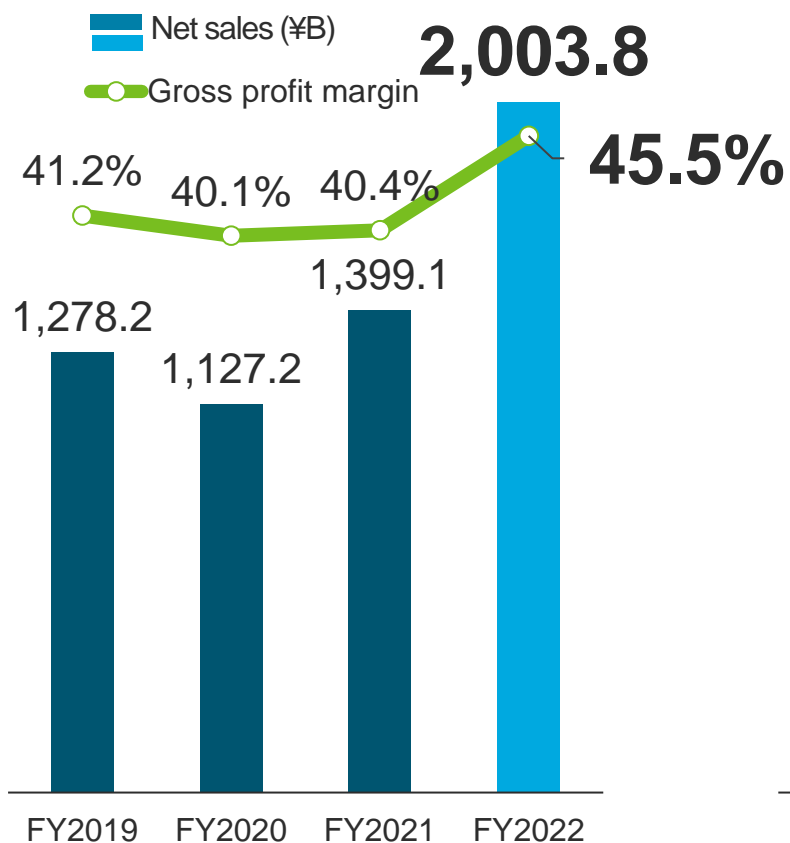
■ Balance Sheet

	FY2021		FY2022		Variance
		(%)		(%)	
Total assets	1,034.5	100.0	1,439.5	100.0	+405.0
Total liabilities	408.5	39.5	589.2	40.9	+180.6
Total net assets	625.9	60.5	850.3	59.1	+224.3
Total liabilities & net assets	1,034.5	100.0	1,439.5	100.0	+405.0

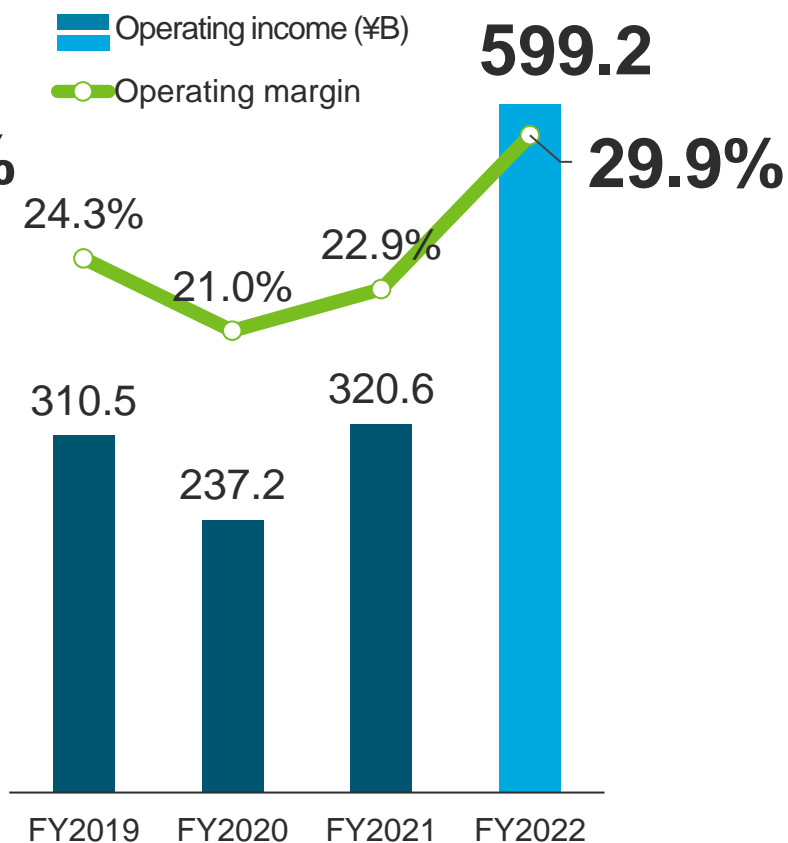
*Since the beginning of FY2022, the Company has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29). Changes in percentage are based on financial results without the effects of the new standards of the same period of the previous fiscal year.

Four-year Performance

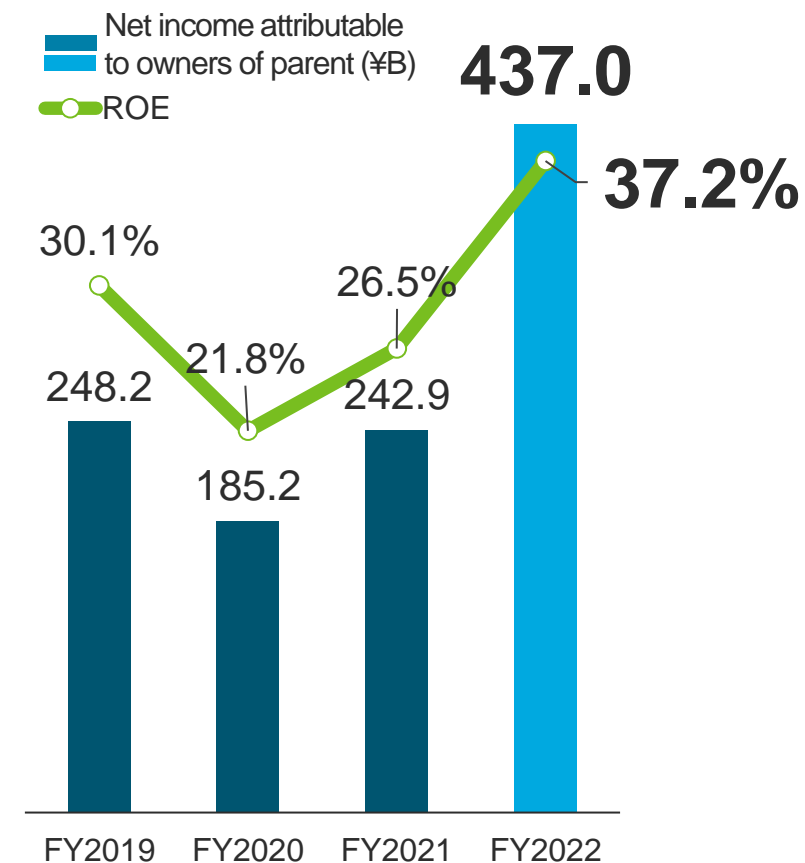
Net sales and gross profit margin



Operating income and operating margin

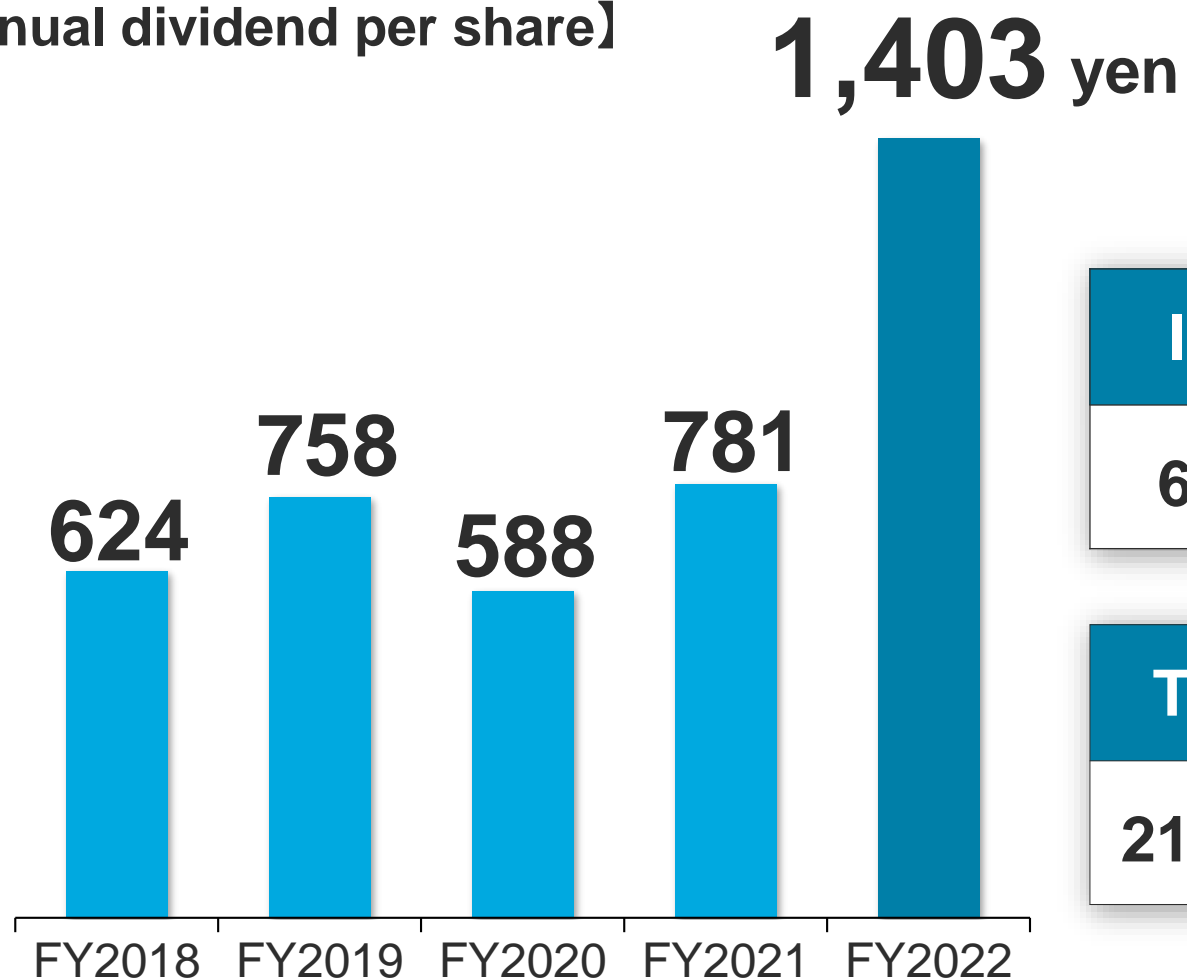


Net income attributable to owners of parent and ROE



FY2022 Dividend

【Annual dividend per share】



Interim	Year-end	Annual dividend
643 yen	760 yen	1,403 yen

Total dividend	Payout ratio
219.3 billion yen	50.0%

FY2023 Financial Estimates

(FY2023 : April 1, 2022 – March 31, 2023)

CY2022 Business Environment*

- Accelerating digitization in all industries and our lives
- Wide range of demand for semiconductors from leading-edge to general-purpose products
- Ongoing semiconductor technology innovation initiatives



WFE market is expected to increase by about 20%
year-on-year**

* TEL analysis based on market conditions as of June 2022

** WFE : Wafer fab equipment

FY2023 Consolidated Financial Estimate

(Billion yen)

	1 st half	2 nd half	Full year
Net sales	1,100.0	1,250.0	2,350.0
Operating income	319.0 29.0%	397.0 31.8%	716.0 30.5%
Ordinary income	319.0	397.0	716.0
Income before income taxes	319.0	397.0	716.0
Net income attributable to owners of parent	234.0	289.0	523.0

Expecting record profits for the third consecutive fiscal year

Aiming for Medium- to Long-term Profit and Continuous Corporate Value Enhancement

1. Business Environment
2. The Medium-term Management Plan
3. Aiming for Further Corporate Value Enhancement
4. Returns to Shareholders

1. Business Environment

Global Situation

COVID-19

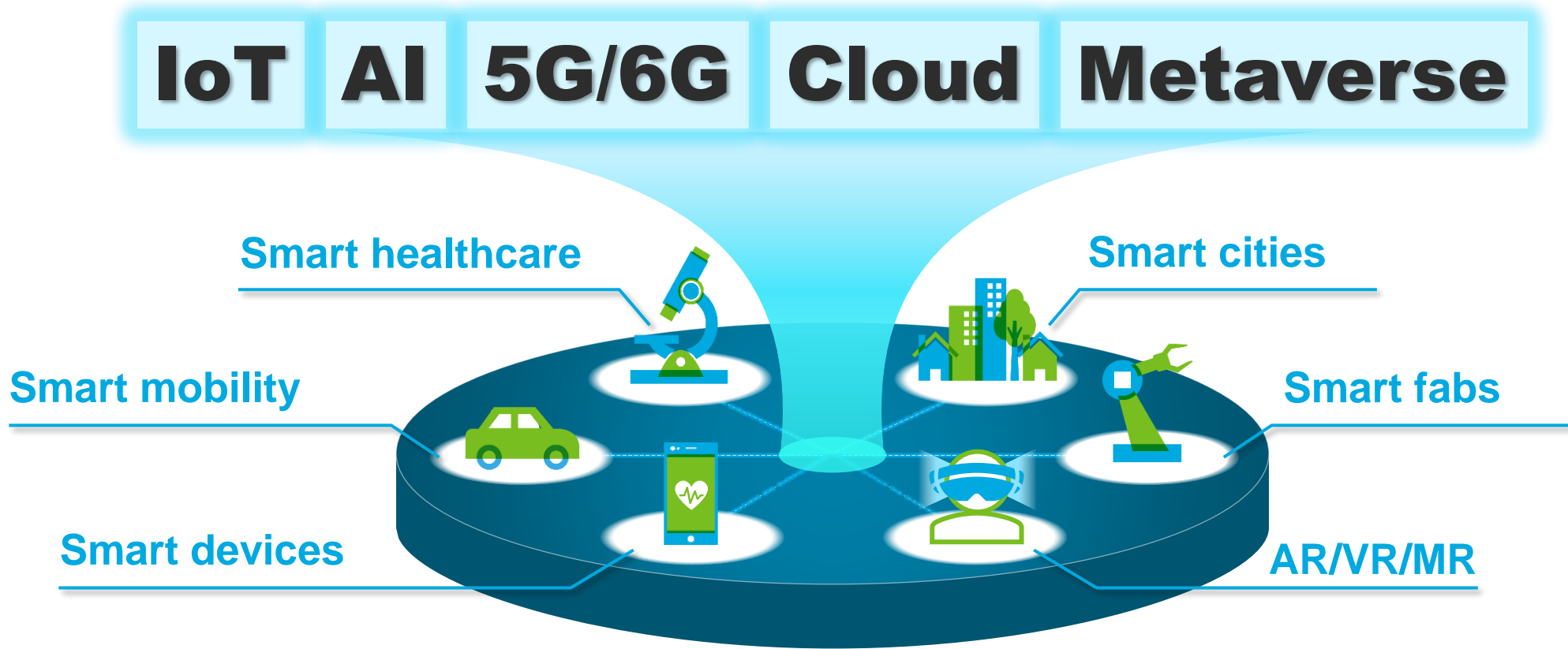
Natural disasters due to climate change

Geopolitics, Human rights issues



Significant impact on our lives

Accelerating transition to a data-driven society

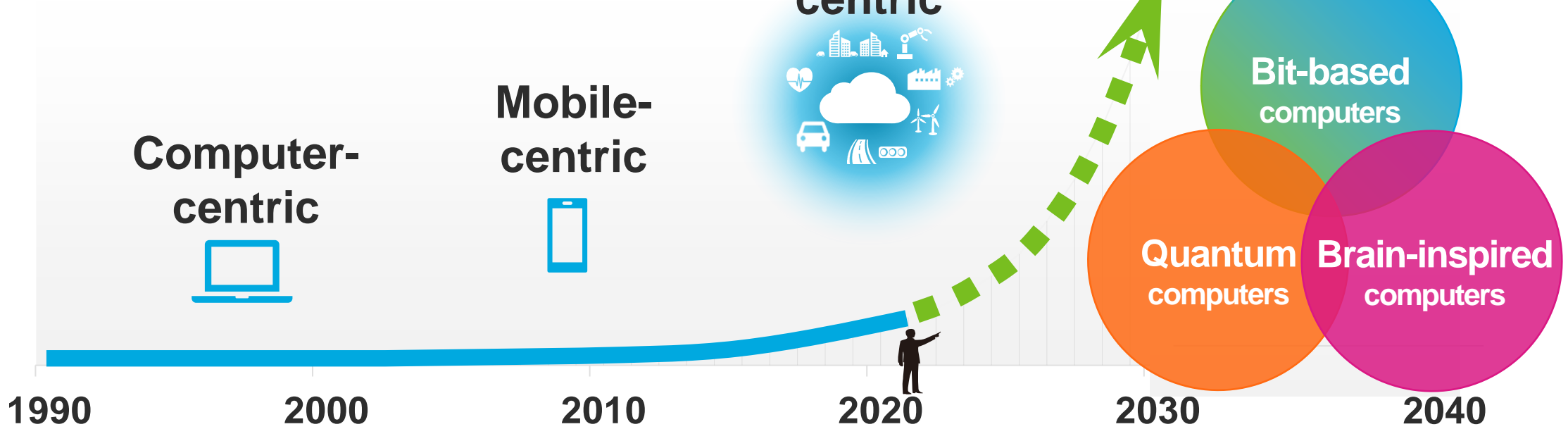


The world is currently pushing firmly ahead with the implementation of ICT, as well as taking action to realize a carbon-free society in order to build a strong and resilient society in which economic activities do not stop under any circumstances.

Global Data Traffic

Zetta byte*

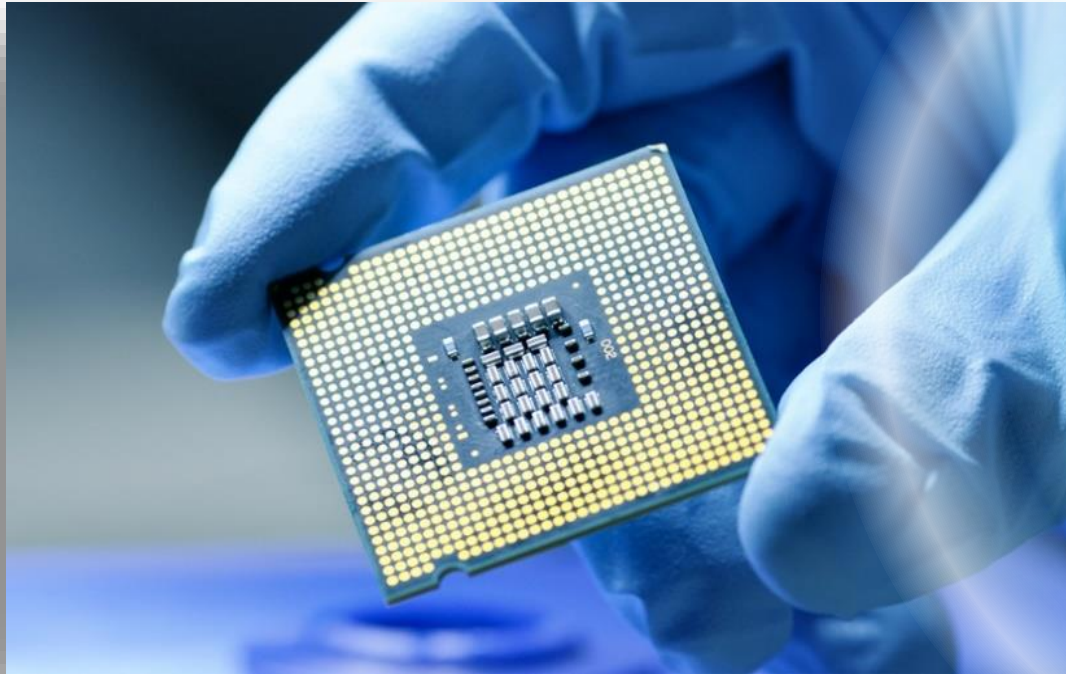
35
30
25
20
15
10
5
0



Source : Omdia

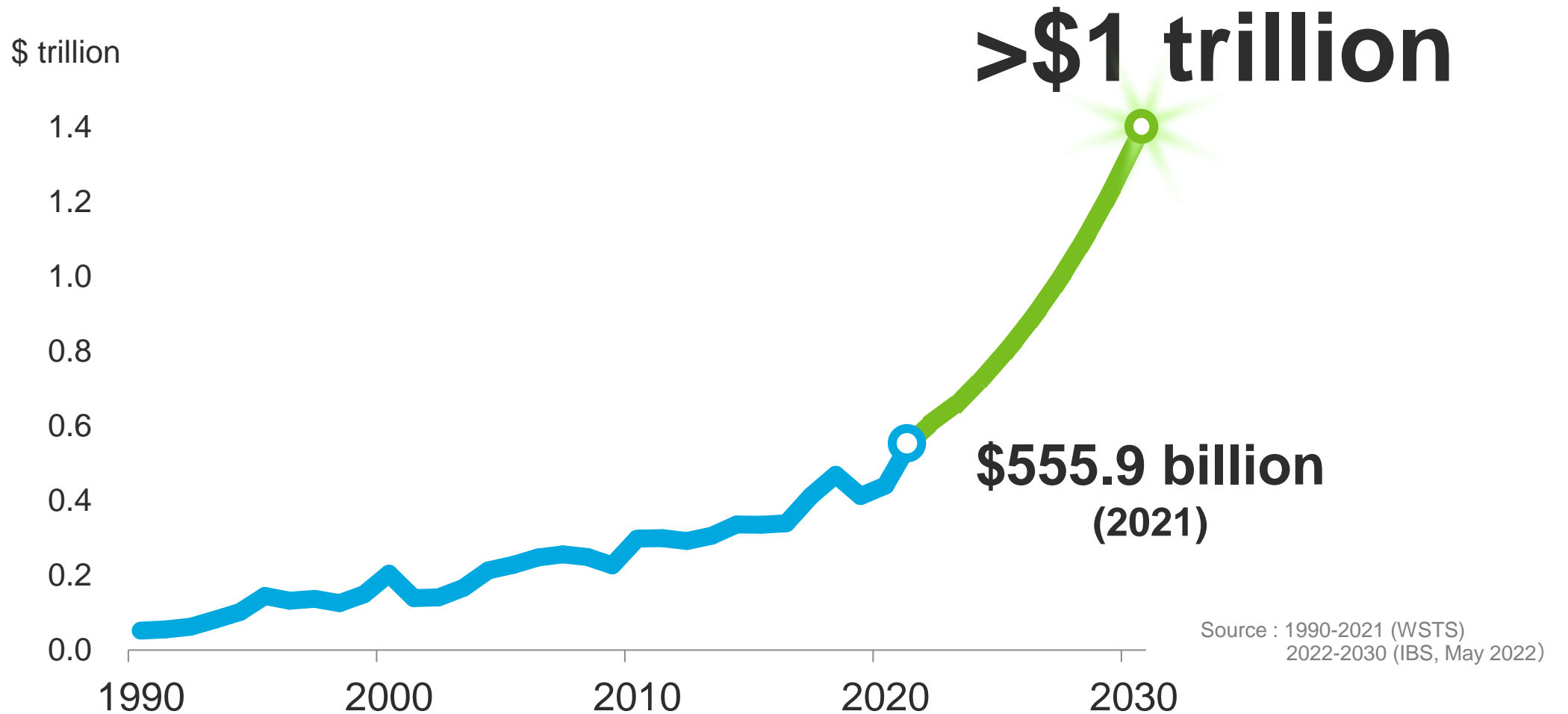
**The digitization of society has only just begun
Computing evolves into the true big data era**

Technological Requirements for Semiconductors



**Pursue larger capacity, higher speed, higher reliability,
and lower power consumption**

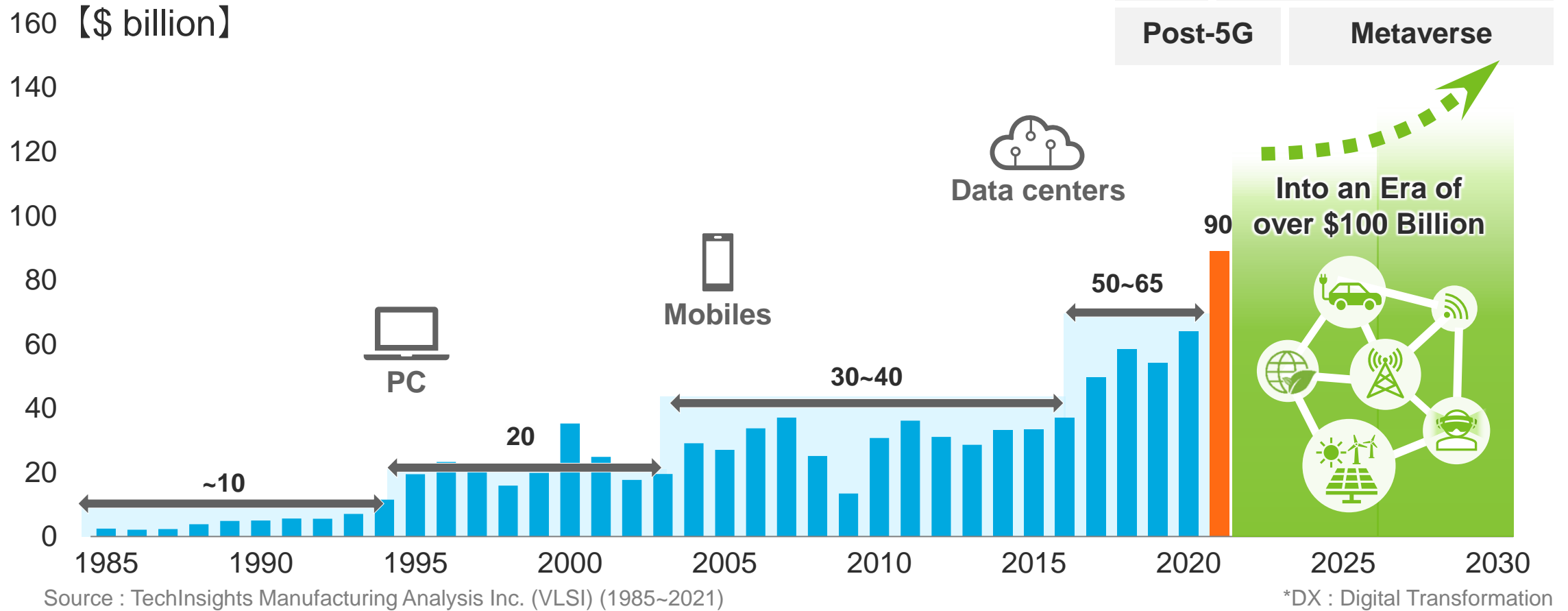
Outlook for the Semiconductor Market



Growing to more than double by 2030

WFE Market

ICT	DX*	Decarbonization
EV	Autonomous driving	
Post-5G	Metaverse	



Further growth in the production equipment market

2. The Medium-term Management Plan

Progress on the Medium-term Management Plan

Announced in May 2019

	Financial Model (by FY2024)		
Net sales	¥1.5T	¥1.7T	¥2T
OP margin	26.5%	28%	>30%
ROE	>30%		



FY2022 Actual
¥2T 3.8B
29.9%
37.2%

Reached our financial model 2 fiscal years ahead of schedule

The New Medium-term Management Plan : Financial Targets

Financial Targets (by FY2027)	
Net sales	≥ 3 trillion yen
OP margin	≥ 35%
ROE	≥ 30%

Material Issues



Toward short- , medium- and long-term profit and continuous corporate value enhancement

Taking Advantage of TEL's Strengths

**Only
one**



Deposition



Coater/developer



Etching



Cleaning

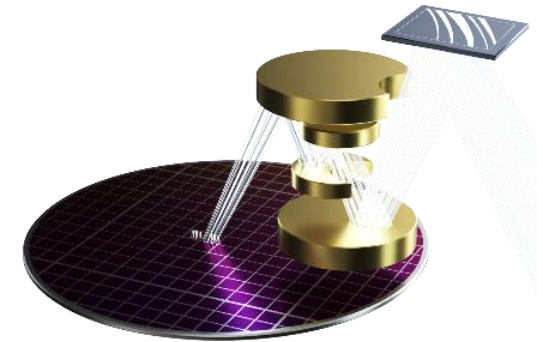
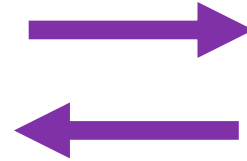
Have products in 4 sequential processes

Taking Advantage of TEL's Strengths

100%



Coater/developer



EUV lithography

100% share of coater/developer for EUV lithography

EUV: Extreme Ultraviolet

Taking Advantage of TEL's Strengths

Major products and market position*

#1



Coater/
developer

#2



Cleaning

#2



Plasma
etching

#1



Gas
chemical
etching

#1



Diffusion
furnace

#1



Batch
deposition

#2



Metal
deposition

#1



Prober

*TEL estimate

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

Taking Advantage of TEL's Strengths

No.1

Industry's largest install base

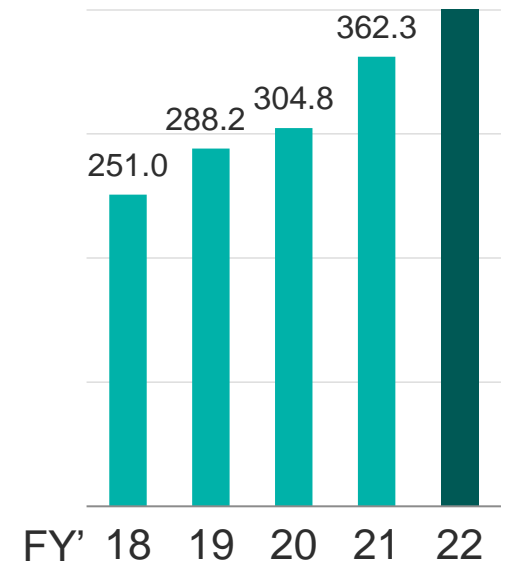
82,000 units

Annual increase by about

6,000 units



Field Solution Sales
455.9B yen



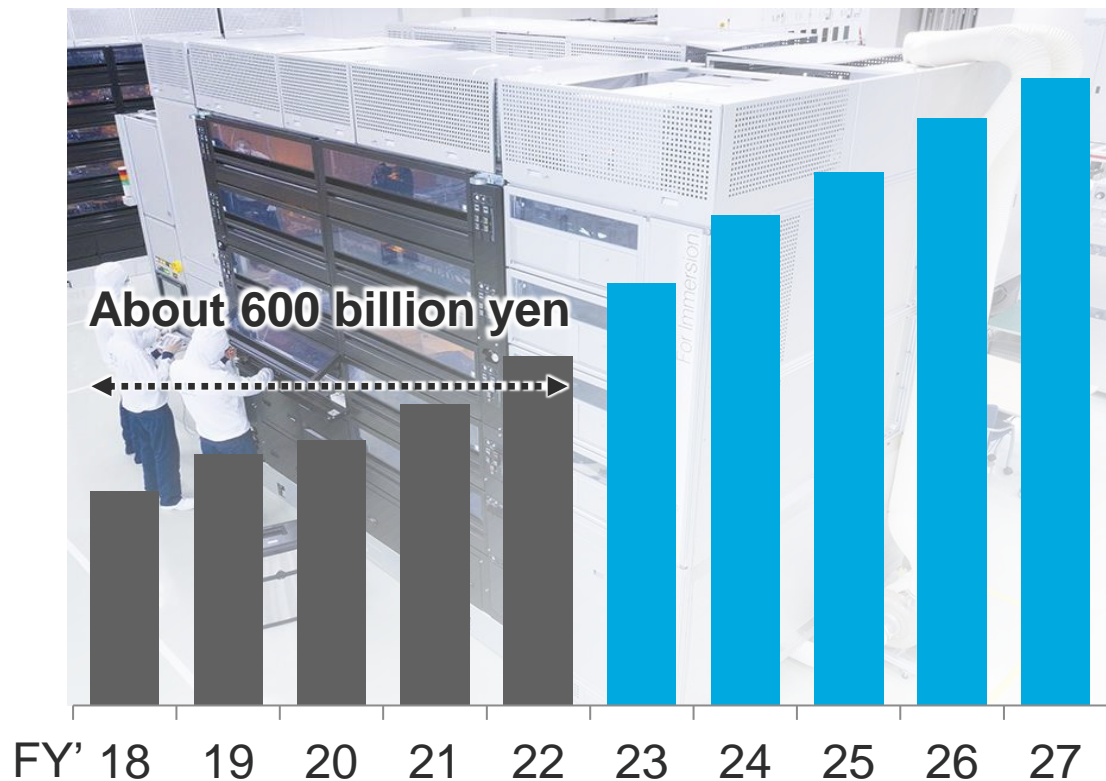
Equipment sold creates new business opportunities

Every leading-edge semiconductor in the world passes through our equipment

**Profit is an important measure of value in
our products and services**

Further improving strengths

Continue to Invest Aggressively on R&D



**More than 1 trillion yen
planned for
5 years from FY2023**

**Continue active investment in growth to
create high value-added next-generation products**

Toward Further Growth

TEL Digital Design Square

Begun operations : Nov. 2020



Sapporo City, Hokkaido

Miyagi Technology Innovation Center

Completion : Sep. 2021



Taiwa Town, Miyagi

Yamanashi New development building

Completion : Spring 2023



Nirasaki City, Yamanashi

Kumamoto New development building

Completion : Autumn 2024



Koshi City, Kumamoto

Miyagi New development building

Completion : Spring 2025

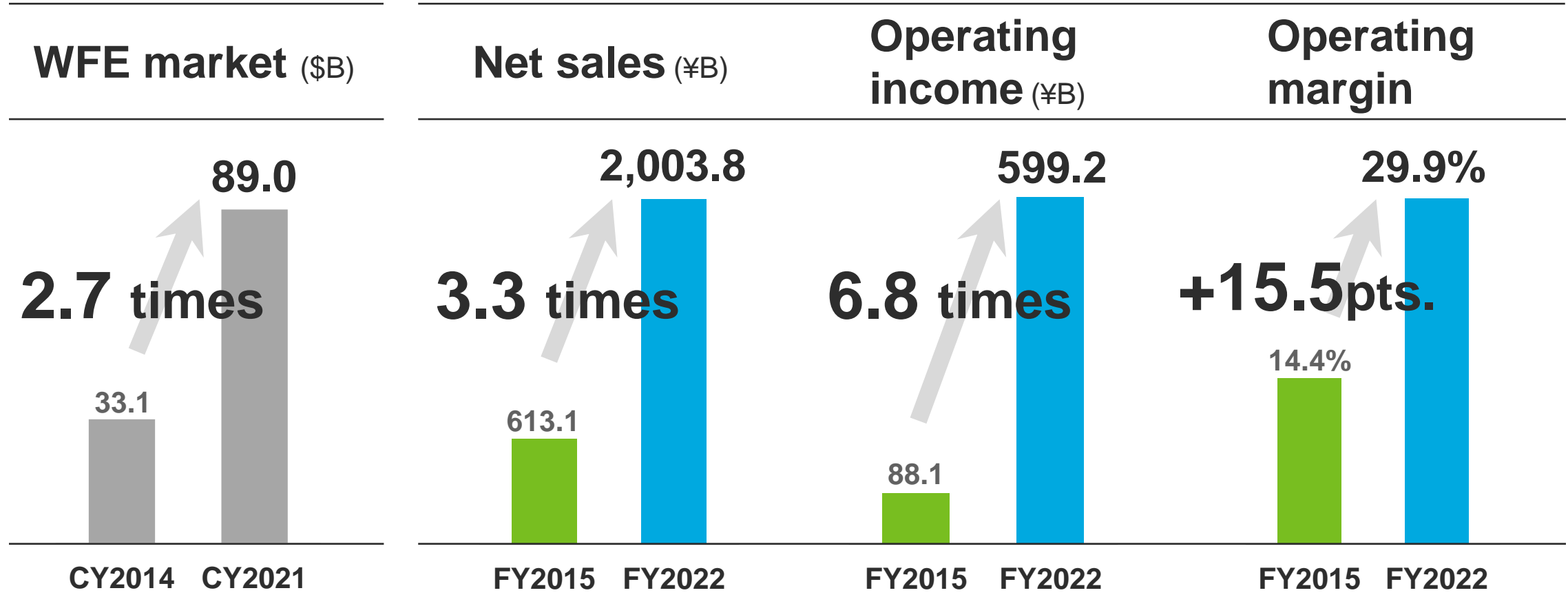


Taiwa Town, Miyagi

3. Aiming for Further Corporate Value Enhancement

- Celebrating the 60th Year - History of New TEL Growth

(Comparison of FY2015 vs FY2022 Actual)



Source : TechInsights Manufacturing Analysis Inc. (VLSI)

Significantly outperformed market growth

TEL Market Cap. Ranking



TEL ranked in 7th place out of about 1,800 companies listed on the Tokyo Stock Exchange Prime Market

Won the Grand Prize Company in the Corporate Governance of the Year[®] 2021

Sponsored by the Japan Association of Corporate Directors / Released on Jan. 12, 2022

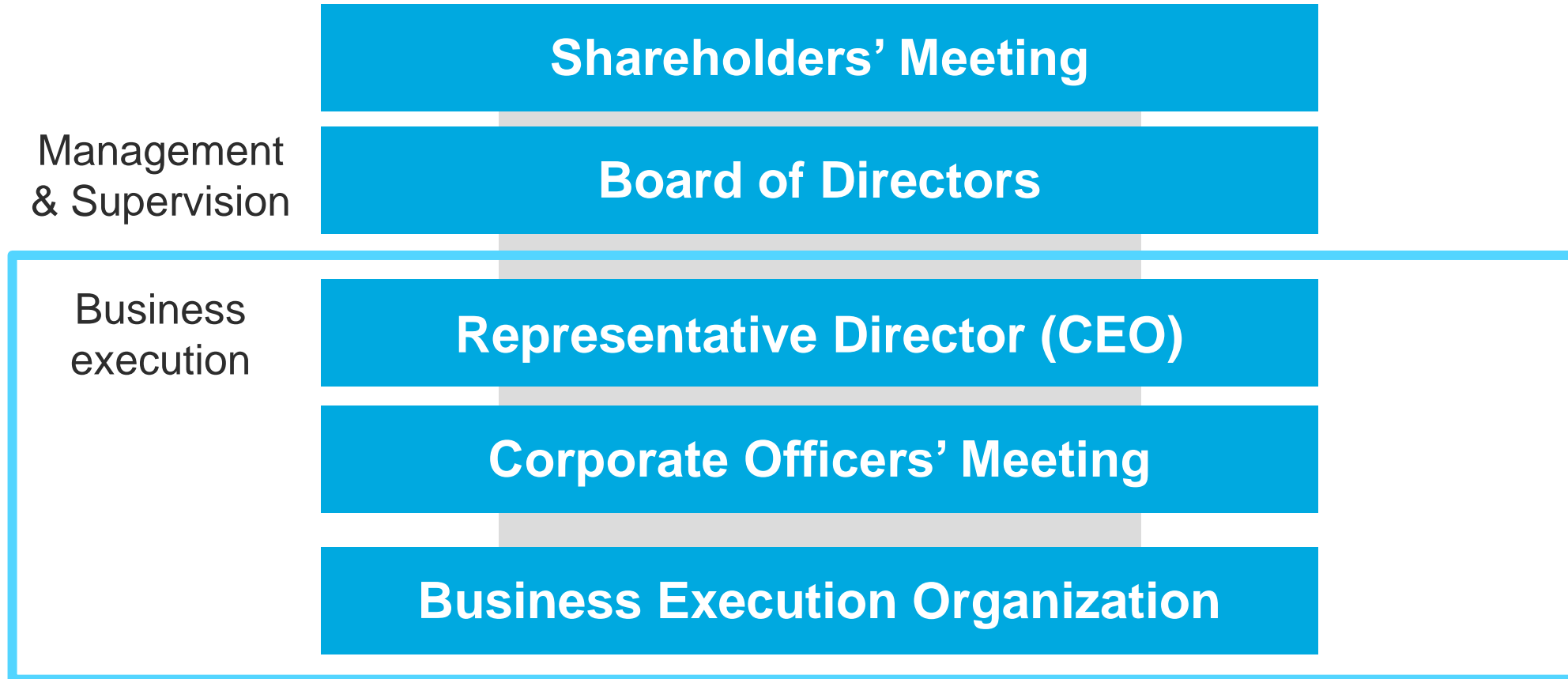


Evaluation points for TEL

- **“Aggressive” style to pursue profits**
 - **“Aggressive” ESG**
- ➔ Efforts to enhance corporate value through both “Aggressive” approaches**

Corporate Governance of the Year[®] is a registered trademark of the Japan Association of Corporate Directors.

Corporate Officer System (To be introduced after this Shareholders' Meeting)



Ensure prompt and flexible business execution as the highest decision-making body on the executive side

Corporate Officer System (To be introduced after this Shareholders' Meeting)

Corporate Officers

✓ Same perspective as CEO

✓ Appropriate delegation of authority from the Board of Directors

✓ Corporate Officers attending the Board of Directors meetings



Promoting “aggressive management” by speedy management execution function and further enhancing the highly effective supervisory function by Corporate Officers

Further Increasing Corporate Value

Offence

**Aiming for world-class
operating margin and
ROE \geq 30%**

&

Offence

- Safety
- Quality
- Compliance
- Engagement
- Risk management & Security



New 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.



Corporate Message

Technology Enabling Life

TSV : TEL's Shared Value (TEL's CSV)

CSV (Creating Shared Value)

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



TEL's CSV



Contributing to technological innovation in semiconductors

Approach based on TSV

Sustainable development of the world



Smart mobility



Smart cities



Smart factories



Smart agriculture



Smart healthcare

ICT industry

Digital infrastructure

Semiconductors

Semiconductor production equipment



"Key in industry & society"

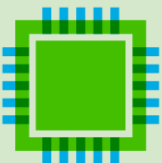


Pursuing technological innovation in semiconductors for a prosperous future

Approaches to Sustainability

E-COMPASS

Environmental Co-Creation by Material, Process and Subcomponent Solutions



Semiconductors	Production equipment	Business activities
<p>Pursuing higher device performance and lower power consumption</p> 	<p>Achieving both high process performance and environmental performance of the equipment</p> 	<p>Reduction of CO₂ emissions in all business activities</p> 

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

Aiming for Sustainable Development of the World

Net Zero



for Greenhouse Gas Emissions

In our Supply Chain

Scope 1 & 2 (Own emissions) by 2040

Scope 3 (Outside our group) by 2050

*Scope 1 & 2 : Emissions from the use of energy such as electricity in business activities

**Scope 3 : Emissions from the use and disposal of sold equipment, purchase of materials, distribution, etc.

4. Returns to Shareholders

Basic Approach for Shareholder Returns

Continuously create high value-added leading-edge equipment and technical services



Aiming for short-, medium- and long-term profits at the same time, and continuous and further corporate value enhancement



Appropriate returns to shareholders

Dividend Policy

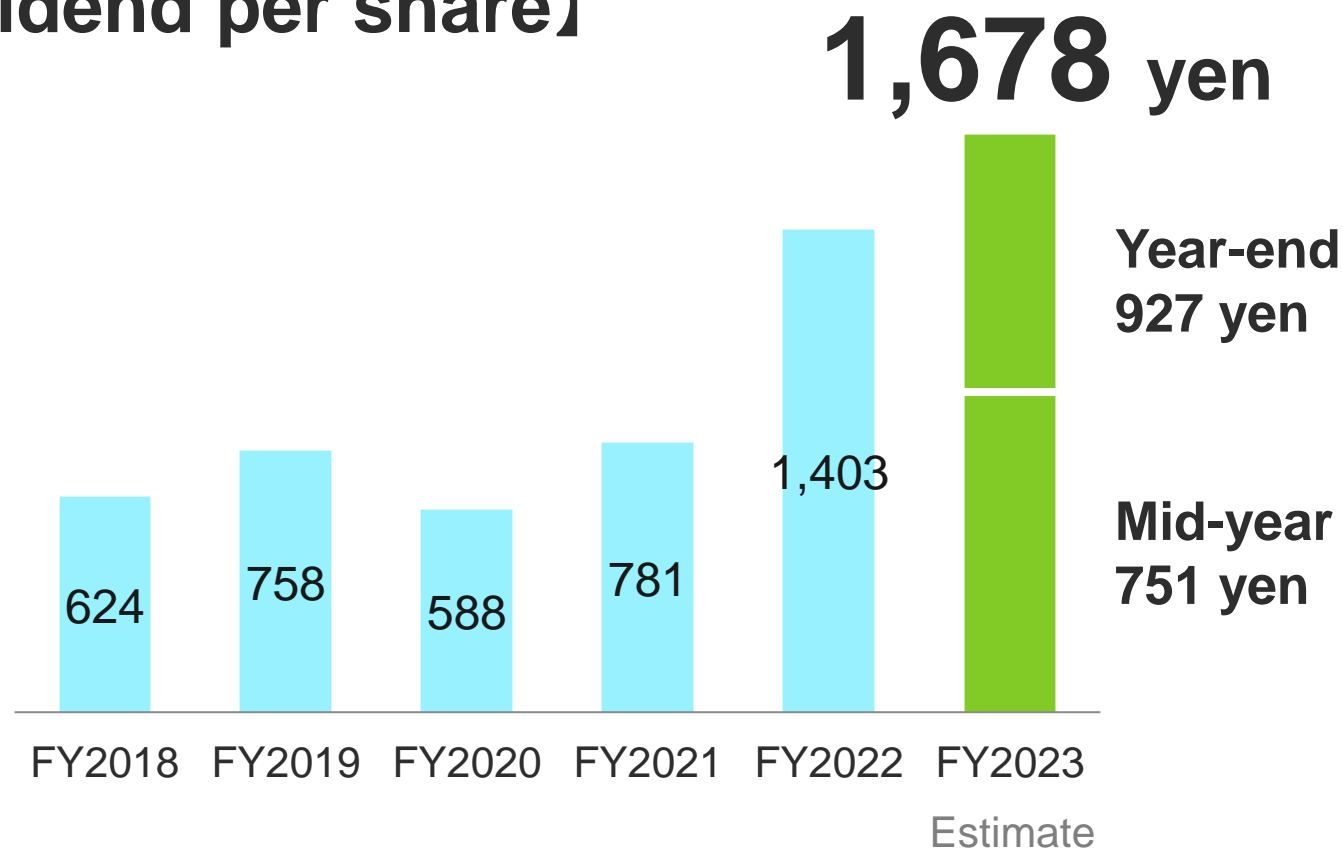
Dividend payout ratio: 50%

Annual DPS of no less than 150 yen

Review dividend policy if the company does not generate net income for two consecutive fiscal years.

FY2023 Dividend Forecast

【Annual dividend per share】



Planning 1,678 yen as dividend per share

**We will continue striving to
further increase shareholder value
and meet the expectations of
all stakeholders**



Semiconductors = Future

The background features a dark blue gradient with several light blue arrows pointing upwards and to the right, suggesting growth. A bar chart with vertical bars of varying heights is also visible, along with a network of light blue lines and dots.

Further Growth Phase



Corporate growth is about **People**

A background image of a microchip or circuit board, rendered in shades of purple and blue, with a semi-transparent white horizontal band across the center.

**Create technologies that
the world has never seen**



**Continue to take on
challenges and evolve**



Aim to Be Global No.1



Technology Enabling Life

TEL™

TOKYO ELECTRON