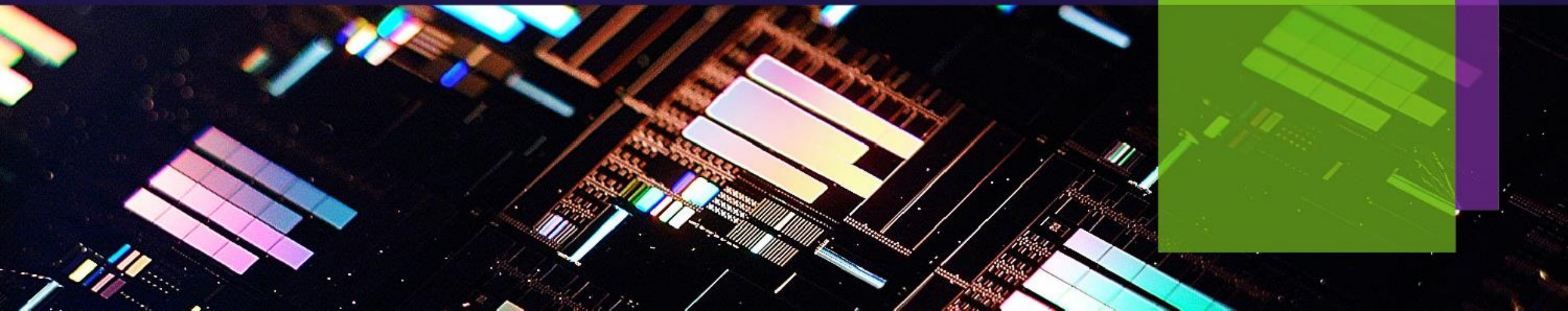


Q3 FY2024 (October - December 2023) Financial Announcement

February 9, 2024

Agenda:

- Consolidated Financial Summary
Hiroshi Kawamoto, Senior Vice President & General Manager, Finance Unit
- 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 the economic situation, geopolitical risk, semiconductor market conditions, intensification of sales competition, safety and product quality management, intellectual property-related risks 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

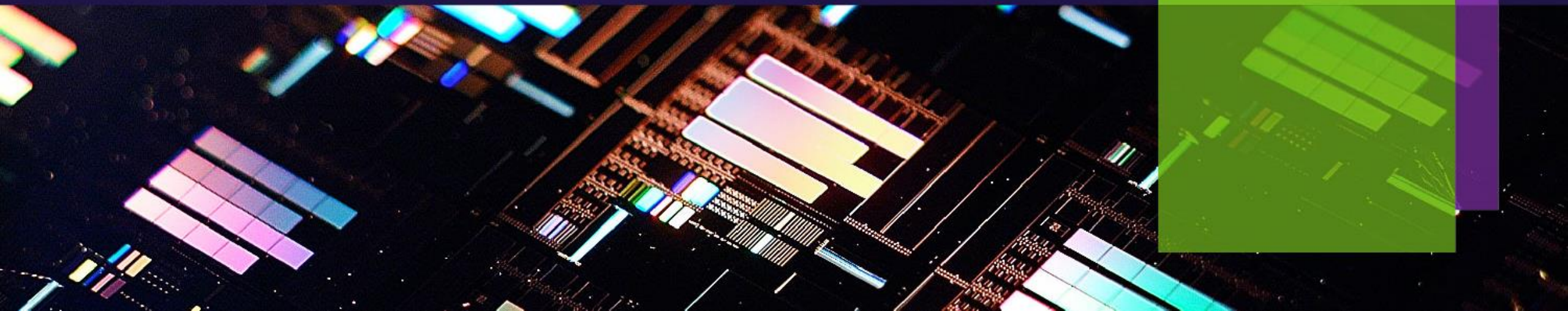
In principle, export sales of Tokyo Electron's products is denominated in yen. Although some sales and expenses are denominated in foreign currencies, the impact of exchange rate fluctuations on profits is negligible, unless extreme fluctuations occur.



Q3 FY2024 Consolidated Financial Summary

February 9, 2024

Hiroshi Kawamoto
Senior Vice President & General Manager, Finance Unit



Financial Summary (Quarterly)

(Billion Yen)

| | FY2023 | | | FY2024 | | QoQ | YoY |
|--|--------|-------|-------|--------|--------------|------------------|------------------|
| | Q3 | Q4 | Q1 | Q2 | Q3 | vs. Q2 FY2024 | vs. Q3 FY2023 |
| Net sales | 467.8 | 558.2 | 391.7 | 427.8 | 463.6 | +8.4% | -0.9% |
| Gross profit | 203.9 | 251.6 | 162.3 | 189.7 | 222.1 | +17.1% | +8.9% |
| Gross profit margin | 43.6% | 45.1% | 41.4% | 44.3% | 47.9% | +3.6pts | +4.3pts |
| SG&A expenses | 89.1 | 98.9 | 79.8 | 93.5 | 89.6 | -4.2% | +0.6% |
| Operating income | 114.7 | 152.7 | 82.4 | 96.1 | 132.4 | +37.8% | +15.4% |
| Operating margin | 24.5% | 27.4% | 21.0% | 22.5% | 28.6% | +6.1pts | +4.1pts |
| Income before income taxes | 116.3 | 155.6 | 83.0 | 98.1 | 134.4 | +37.0% | +15.6% |
| Net income attributable to owners of parent | 85.5 | 118.6 | 64.3 | 73.1 | 101.5 | +38.7% | +18.6% |
| R&D expenses | 46.1 | 53.7 | 43.6 | 51.0 | 49.7 | -2.4% | +8.0% |
| Capital expenditures | 12.5 | 26.3 | 39.3 | 17.6 | 31.8 | +80.5% | +153.2% |
| Depreciation and amortization | 11.2 | 12.0 | 10.6 | 12.5 | 13.8 | +9.7% | +22.6% |

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)

(Billion Yen)

800

600

400

200

0

60%

50%

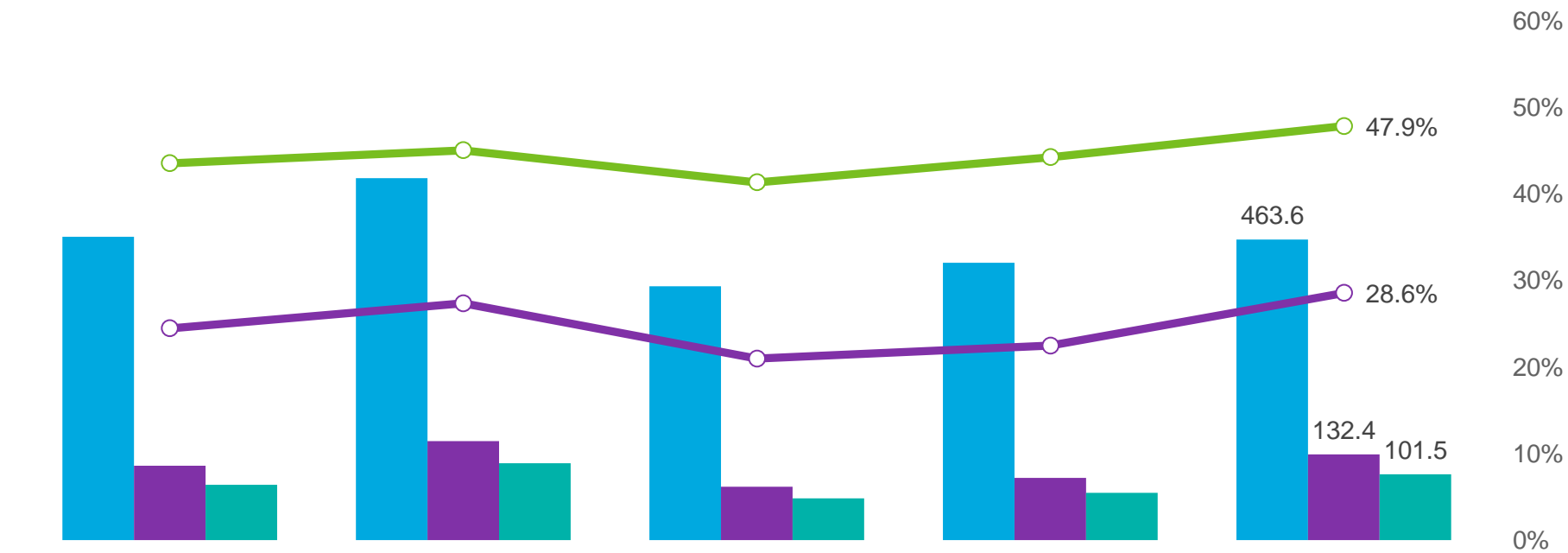
40%

30%

20%

10%

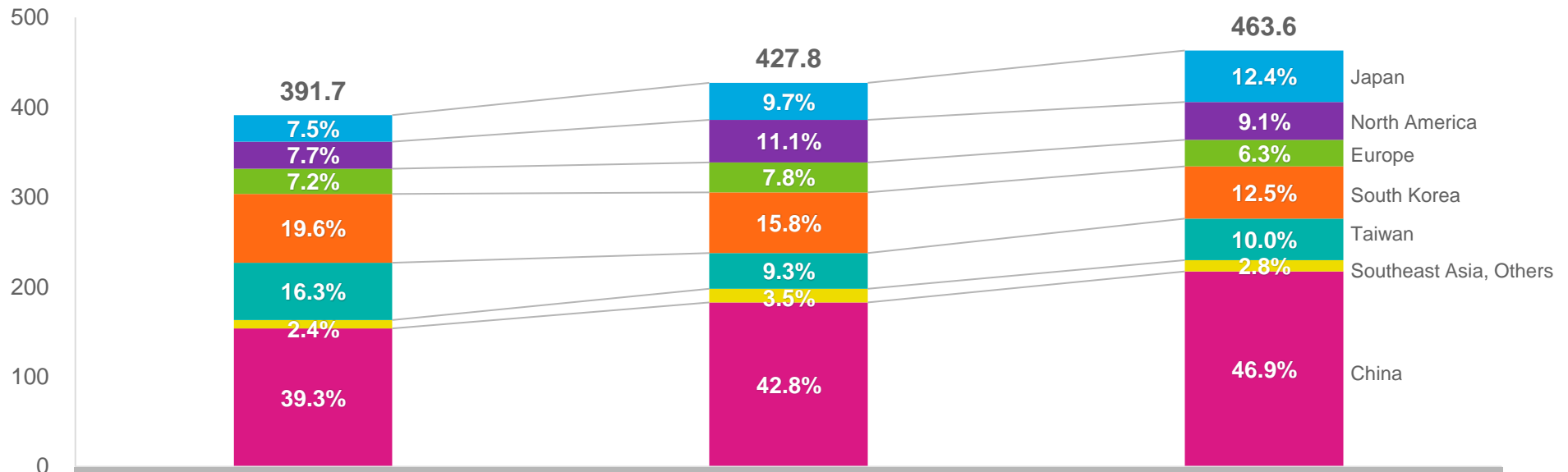
0%



| | FY2023 | | FY2024 | | |
|---|--------|-------|--------|-------|--------------|
| | Q3 | Q4 | Q1 | Q2 | Q3 |
| ■ Net sales | 467.8 | 558.2 | 391.7 | 427.8 | 463.6 |
| ■ Operating income | 114.7 | 152.7 | 82.4 | 96.1 | 132.4 |
| ■ Net income attributable to owners of parent | 85.5 | 118.6 | 64.3 | 73.1 | 101.5 |
| ○ Gross profit margin | 43.6% | 45.1% | 41.4% | 44.3% | 47.9% |
| ○ Operating margin | 24.5% | 27.4% | 21.0% | 22.5% | 28.6% |

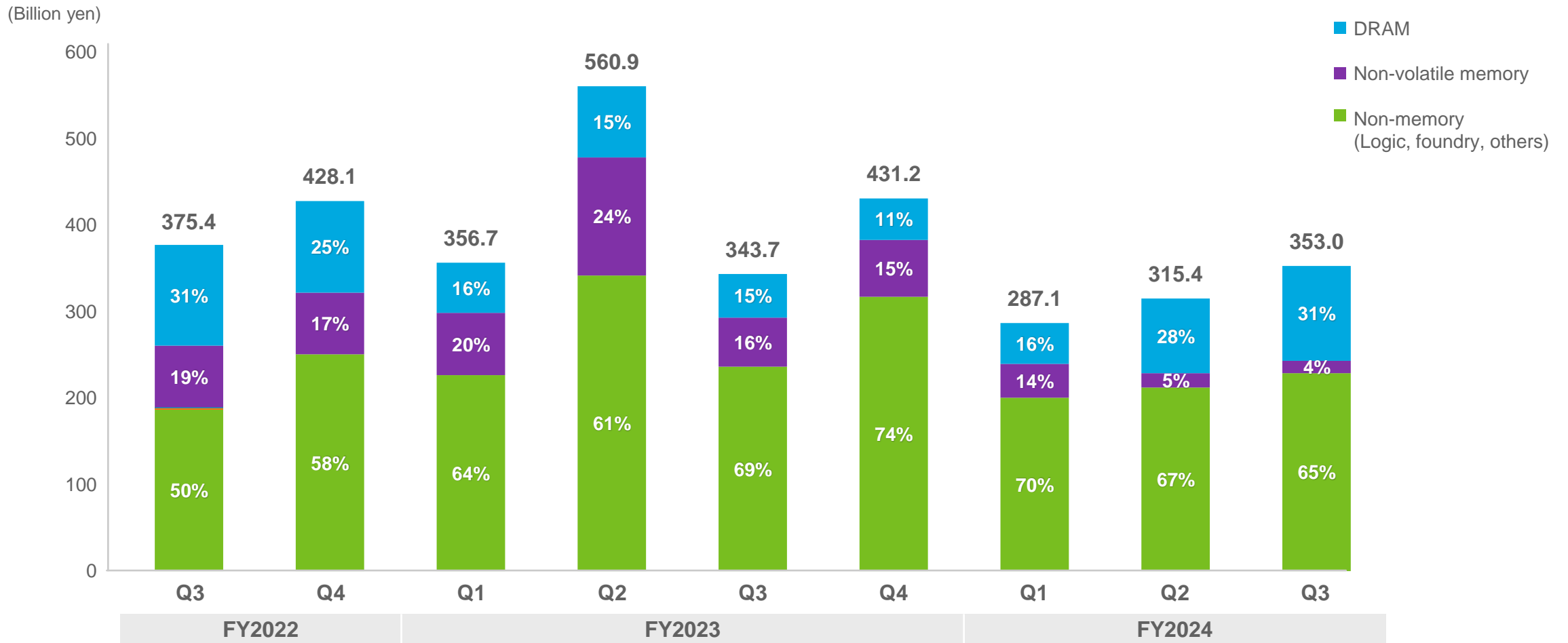
Composition of Net Sales by Region (FY2024 Q1-Q3)

(Billion yen)



| | FY2024 | | |
|------------------------|--------|-------|-------|
| | Q1 | Q2 | Q3 |
| Japan | 29.5 | 41.2 | 57.4 |
| North America | 30.1 | 47.4 | 42.1 |
| Europe | 28.1 | 33.5 | 29.4 |
| South Korea | 76.7 | 67.4 | 58.2 |
| Taiwan | 63.9 | 39.9 | 46.3 |
| Southeast Asia, Others | 9.2 | 15.1 | 12.7 |
| China | 153.9 | 182.9 | 217.2 |

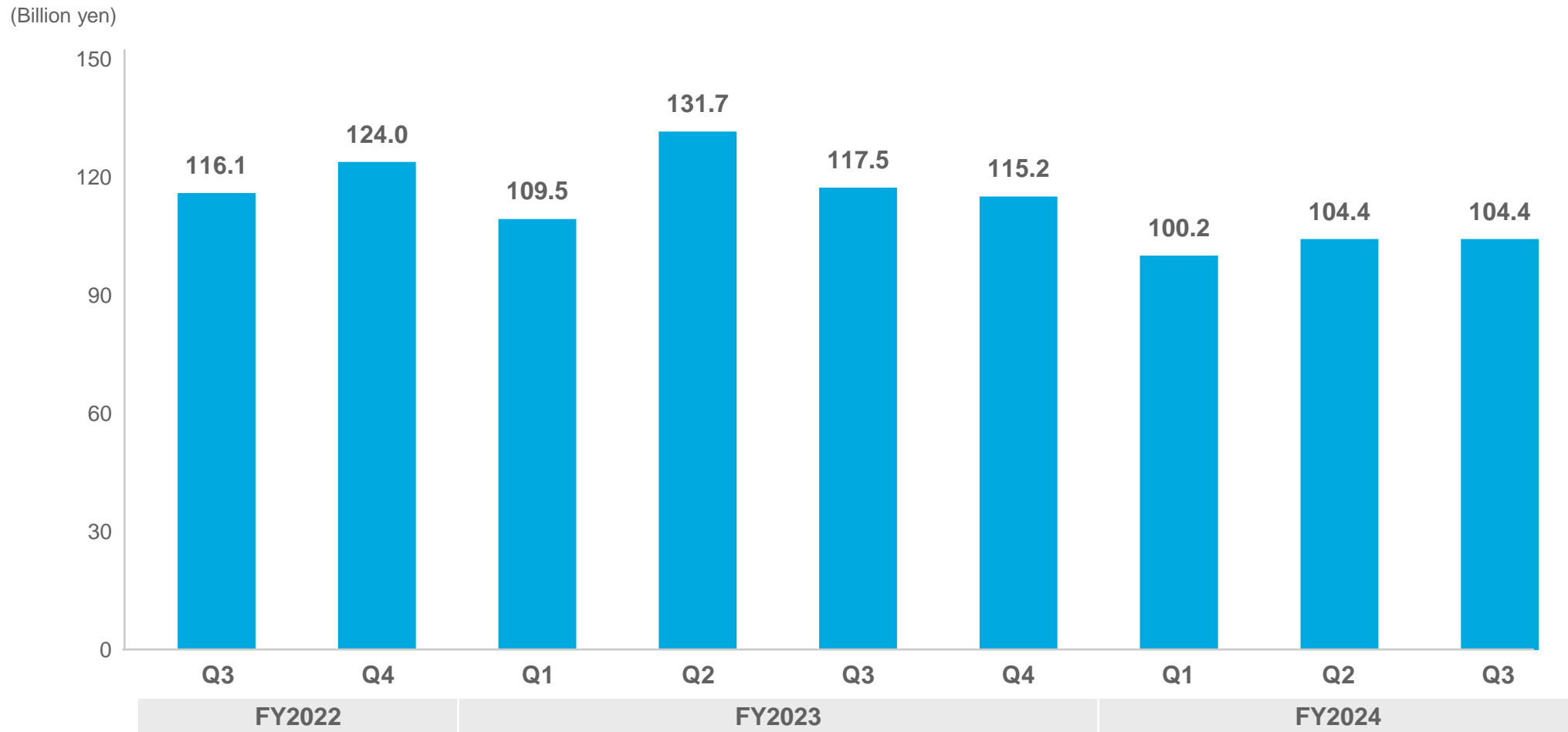
SPE New Equipment Sales by Application (Quarterly)



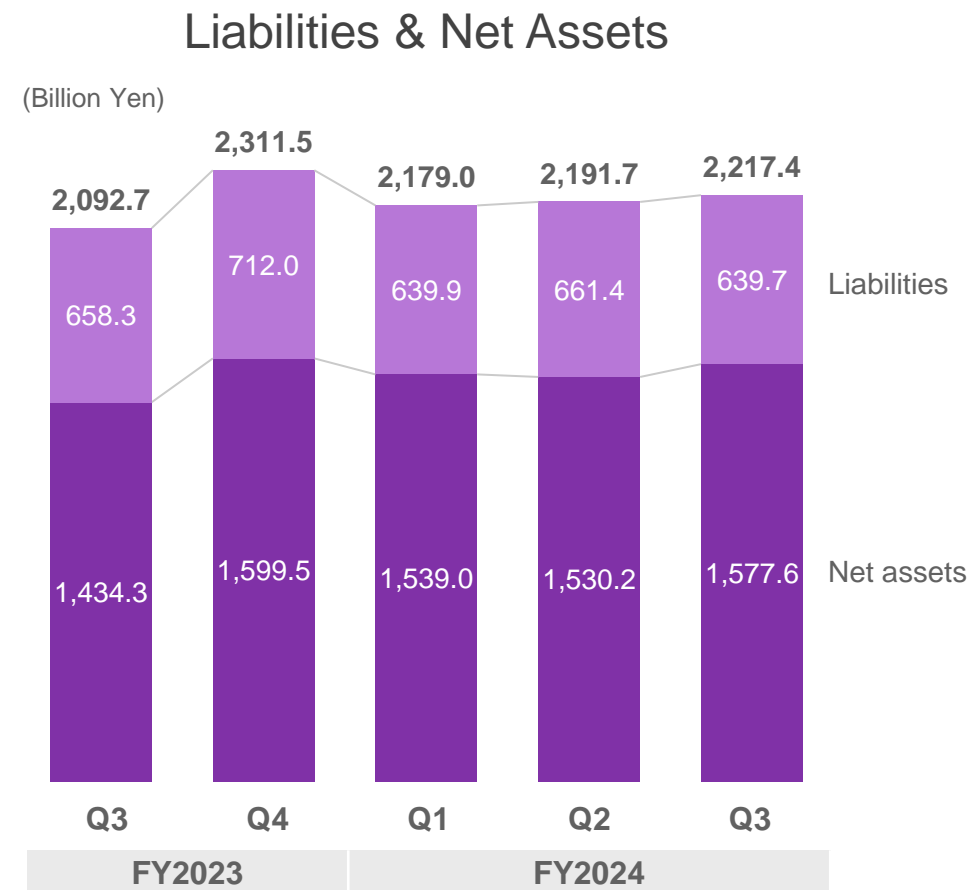
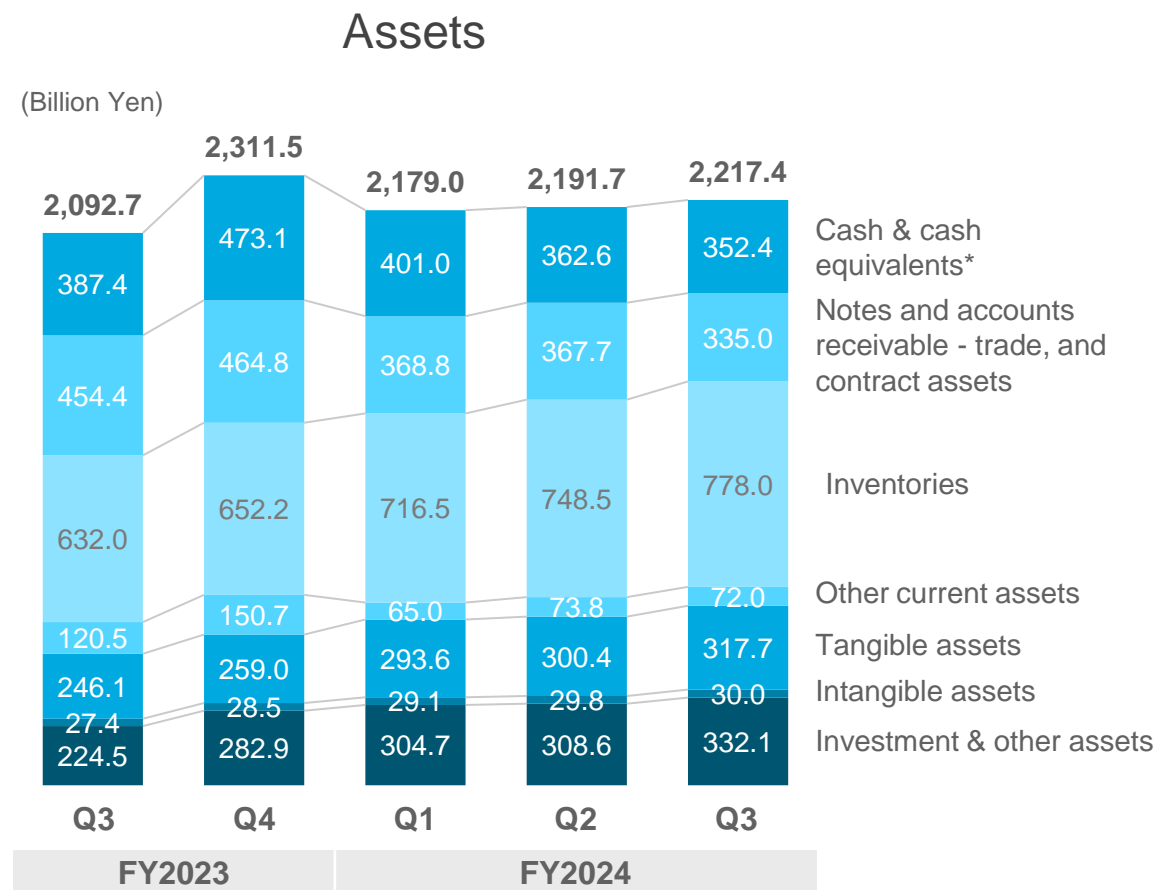
*1 SPE: Semiconductor production equipment

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

Field Solutions Sales (Quarterly)

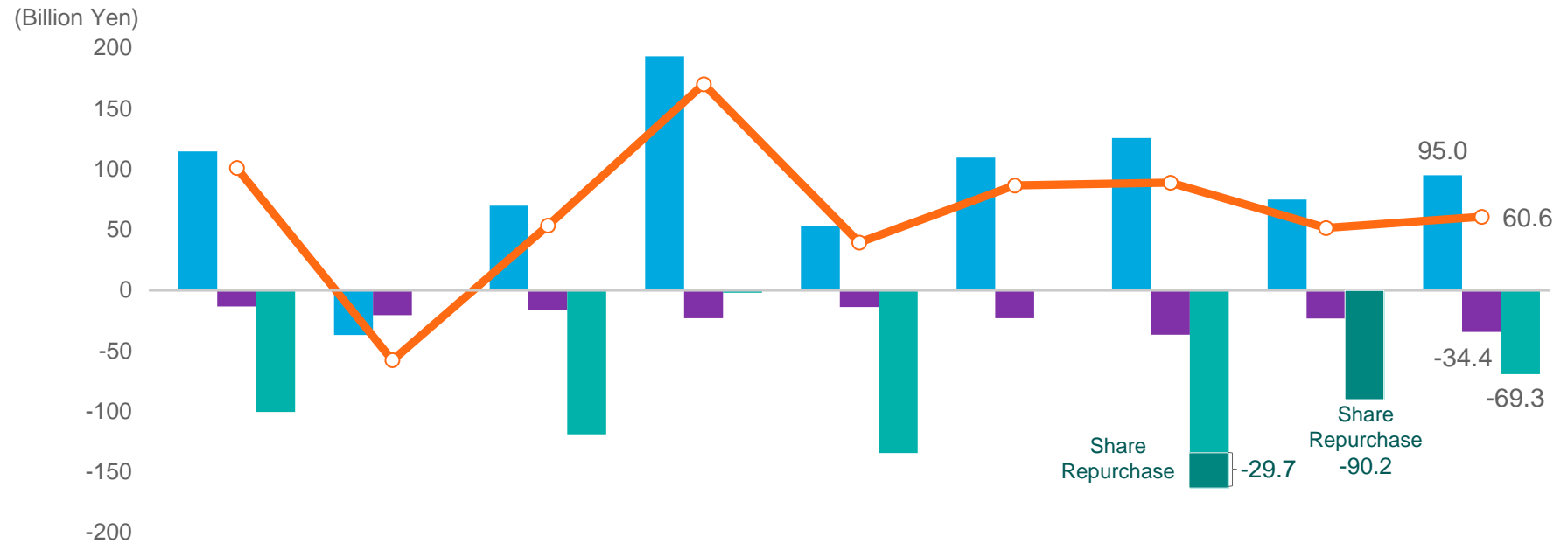


Balance Sheet (Quarterly)



*Cash and cash equivalents: Cash and deposits + Short-term investments, etc. (Securities in B/S).

Cash Flow (Quarterly)



| | FY2022 | | FY2023 | | | | FY2024 | | |
|---|--------|-------|--------|-------|--------|-------|--------|-------|--------------|
| | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
| ■ Cash flow from operating activities | 114.6 | -37.1 | 69.9 | 193.4 | 53.2 | 109.6 | 125.7 | 74.8 | 95.0 |
| ■ Cash flow from investing activities*1 | -13.5 | -20.7 | -16.6 | -23.1 | -13.8 | -23.1 | -36.8 | -23.4 | -34.4 |
| ■ Cash flow from financing activities | -100.7 | -0.2 | -119.1 | -2.1 | -134.6 | -0.5 | -164.1 | -90.8 | -69.3 |
| ○ Free cash flow*2 | 101.0 | -57.9 | 53.3 | 170.2 | 39.3 | 86.5 | 88.8 | 51.4 | 60.6 |
| Cash on hand*3 | 423.9 | 371.2 | 314.6 | 484.6 | 387.4 | 473.1 | 401.0 | 362.6 | 352.4 |

*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).

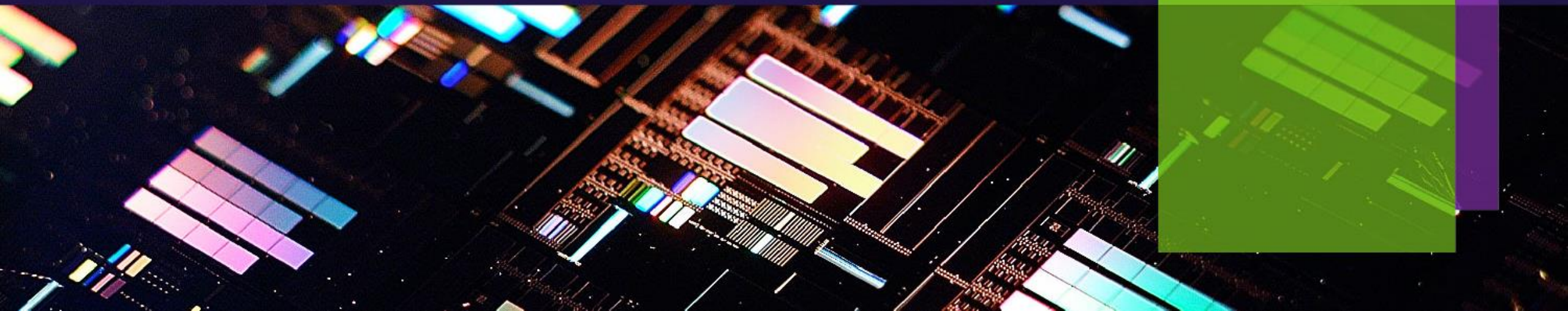
*3 Cash on hand includes cash and cash equivalents + time deposits and short-term investments with original maturities of more than three months.



Business Environment and Financial Estimates

February 9, 2024

Toshiki Kawai
Representative Director, President & CEO



Business Environment (WFE Market Outlook as of February 2024)

- **CY2023: Estimated to be around \$95B**
 - Upwardly revised estimate with increased investment by Chinese customers
- **CY2024: Forecasted to be around \$100B**
 - Expect continued investment by Chinese customers and recovery in investment for leading-edge DRAM in H2
- **CY2025: Double-digit growth expected**
 - Continuing growth of AI servers (CAGR 2023-2027: +31%*)
 - Recovery in PC/smartphone demand
 - New functions, such as on-device AI, for new applications
 - Replacement of products purchased during COVID-19
 - Corporate IT investment
 - ➔ These will drive recoveries forecasted for NAND and advanced logic/foundry capex following DRAM

*Source : Omdia

FY2024 Q3 Business Progress

- Both net sales and profits were firm and proceeded well
- Acquired PORs*¹ through strategic products and progressed development and evaluation towards future growth
 - Acquired PORs: Etching for DRAM HARC*², Si etching for advanced logic, backside bevel cleaning for advanced logic
 - Evaluation making good progress towards high-volume cryogenic etching
 - Wafer bonder/debonder: Sharp increase in high-volume orders, more than double expected
- Released new technologies/products contributing to innovation in semiconductor technology
 - Laser lift-off technology: Improved thinning process yield.
A breakthrough technology that will significantly reduce burden on the environment
 - Ulucus™ G wafer thinning system: Achieved ultra-flat wafers for EUV process and high-density 3D integration utilizing our unique technologies. Will promote the innovation of semiconductor technology and enhance WFE market growth
- Advanced net zero target achievement year by 10 years to CY2040

*1 POR: Process of record

*2 HARC: High aspect ratio contact

FY2024 Financial Estimates

FY2024 Financial Estimates

(Billion yen)

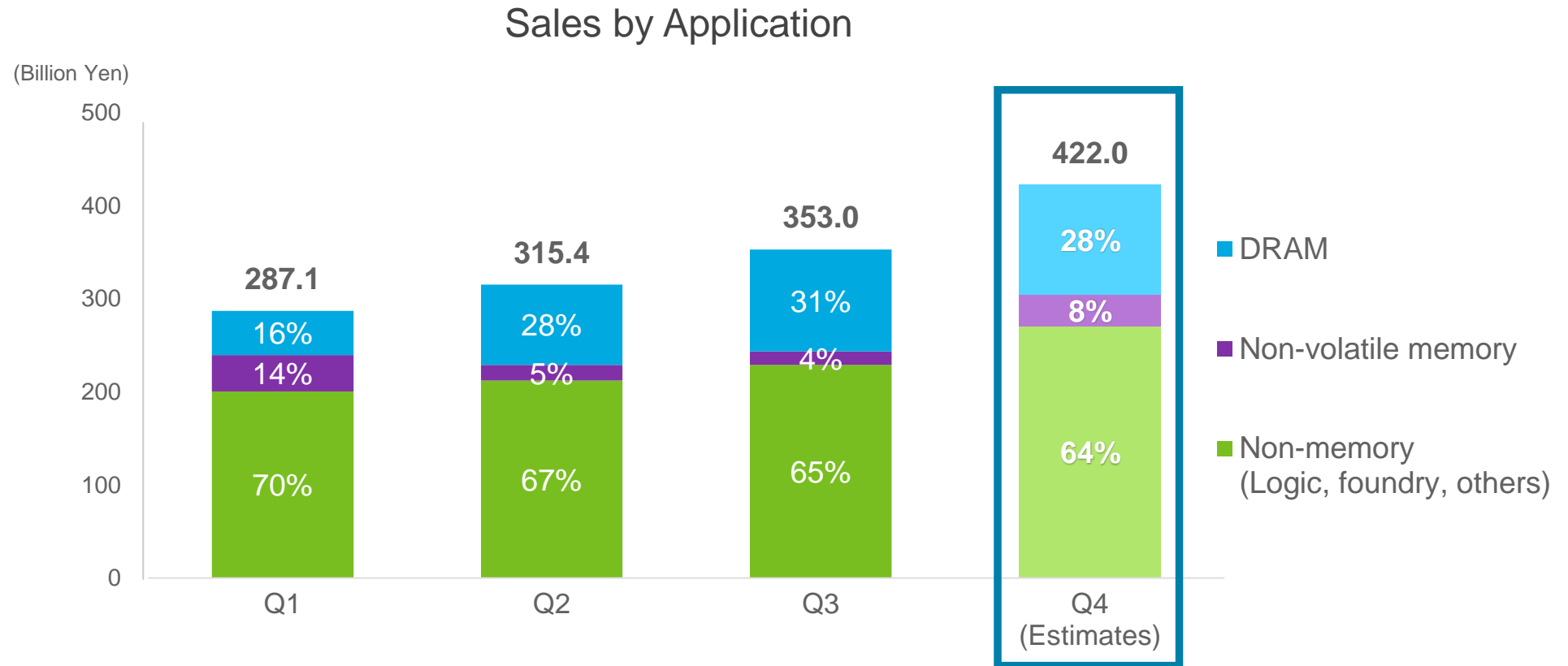
| | FY2023 (Actual) | FY2024 | | | |
|--|--------------------|--------|---------------|-----------|---------------|
| | | Actual | New Estimates | | Adjustments*1 |
| | | H1 | H2 | Full Year | Full Year |
| Net sales | 2,209.0 | 819.5 | 1,010.4 | 1,830.0 | +100.0 |
| Gross profit | 984.4 | 352.0 | 464.9 | 817.0 | +54.0 |
| Gross profit margin | 44.6% | 43.0% | 46.0% | 44.6% | +0.5pts |
| SG&A expenses | 366.6 | 173.4 | 198.5 | 372.0 | +10.0 |
| R&D | 191.1 | 94.6 | 110.3 | 205.0 | +0.0 |
| Other than R&D | 175.4 | 78.7 | 88.2 | 167.0 | +10.0 |
| Operating income | 617.7 | 178.5 | 266.4 | 445.0 | +44.0 |
| Operating margin | 28.0% | 21.8% | 26.4% | 24.3% | +1.1pts |
| Income before income taxes | 624.8 | 181.1 | 268.8 | 450.0 | +46.0 |
| Net income attributable to owners of parent | 471.5 | 137.4 | 202.5 | 340.0 | +33.0 |
| Net income per share (Yen)*2 | 1,007.82 | 295.13 | - | 732.16 | +71.02 |

*1 Changes from the figures announced on November 10, 2023.

*2 The Company implemented a 3-for-1 common stock split on April 1, 2023. Net incomes per share are calculated on the assumption that stock split was implemented at the beginning of FY2023.

Revised financial estimates to reflect the results of Q3 and the estimate of Q4

FY2024 SPE New Equipment Sales Forecast



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

Sales of new equipment are in transition to an upward trend

FY2024 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



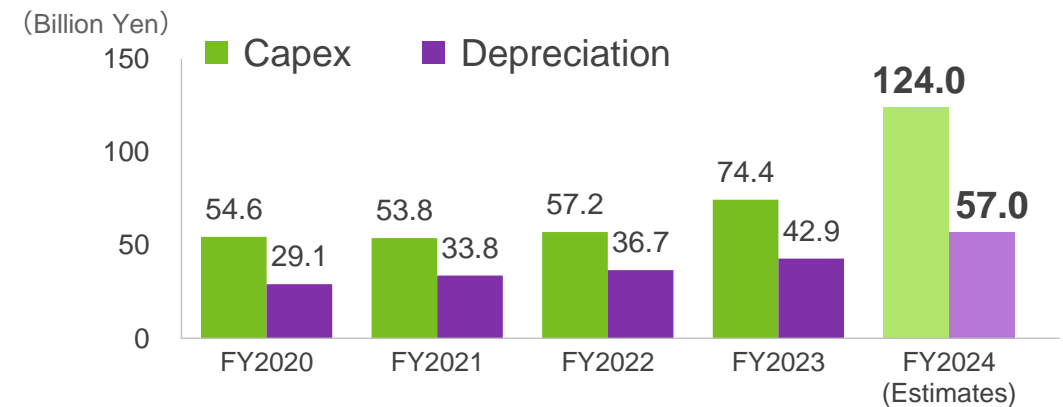
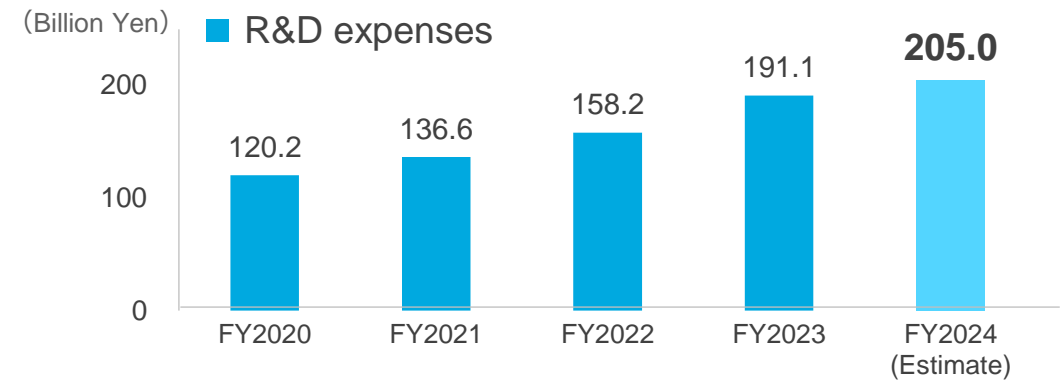
Koshi-city, Kumamoto Prefecture
Completion scheduled for summer 2025

New Development Building

Etch system

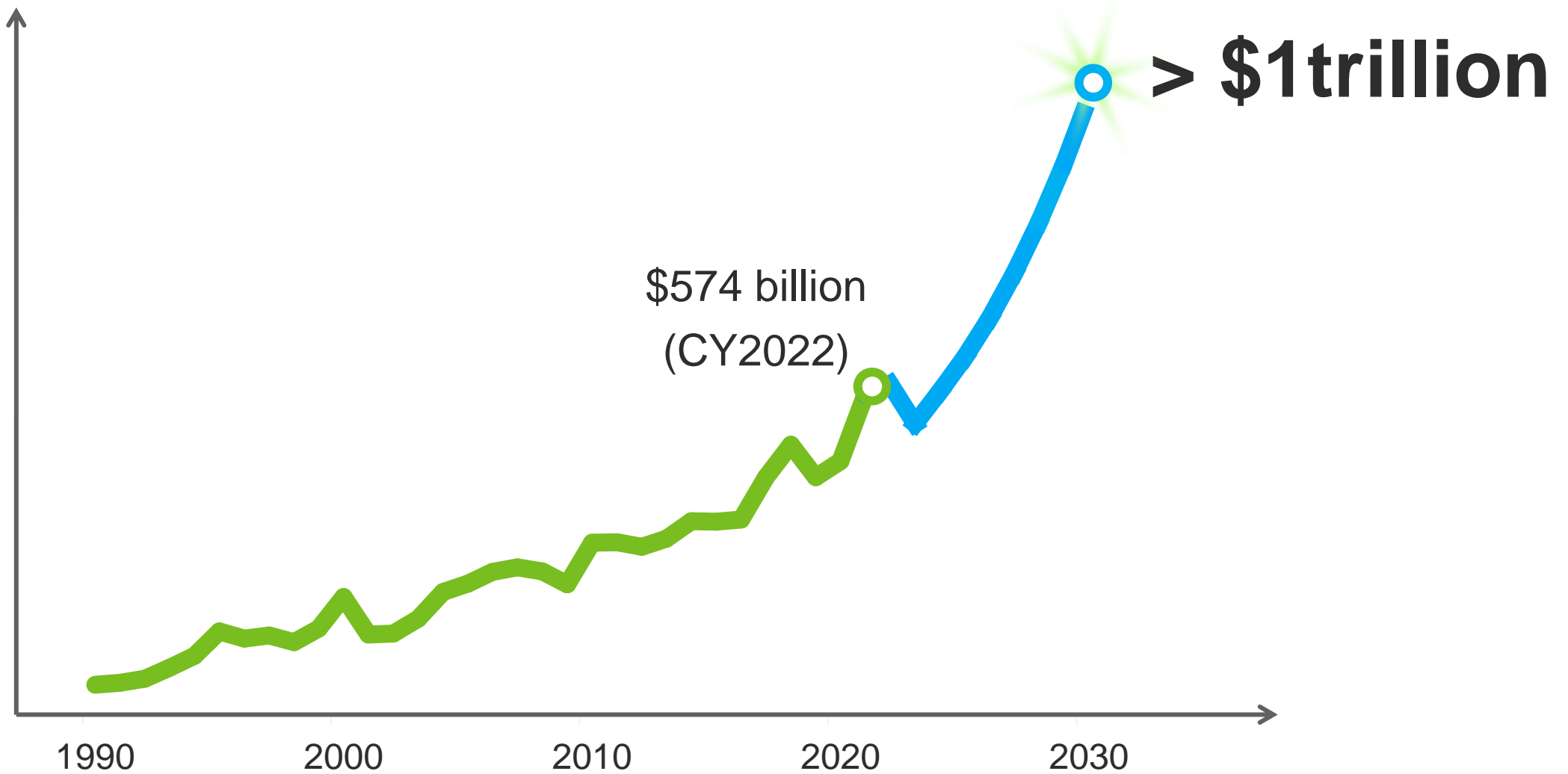


Kurokawa-gun, Miyagi Prefecture
Completion scheduled for spring 2025



Continue aggressive R&D and capital investments for sustainable growth

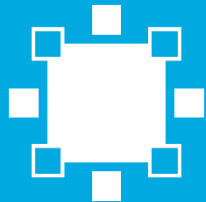
Semiconductor Market to become a \$1 Trillion Market by CY2030



Investment for Future Growth (FY2025 to FY2029)

R&D Investment

1.5
trillion yen



Capex

700
billion yen



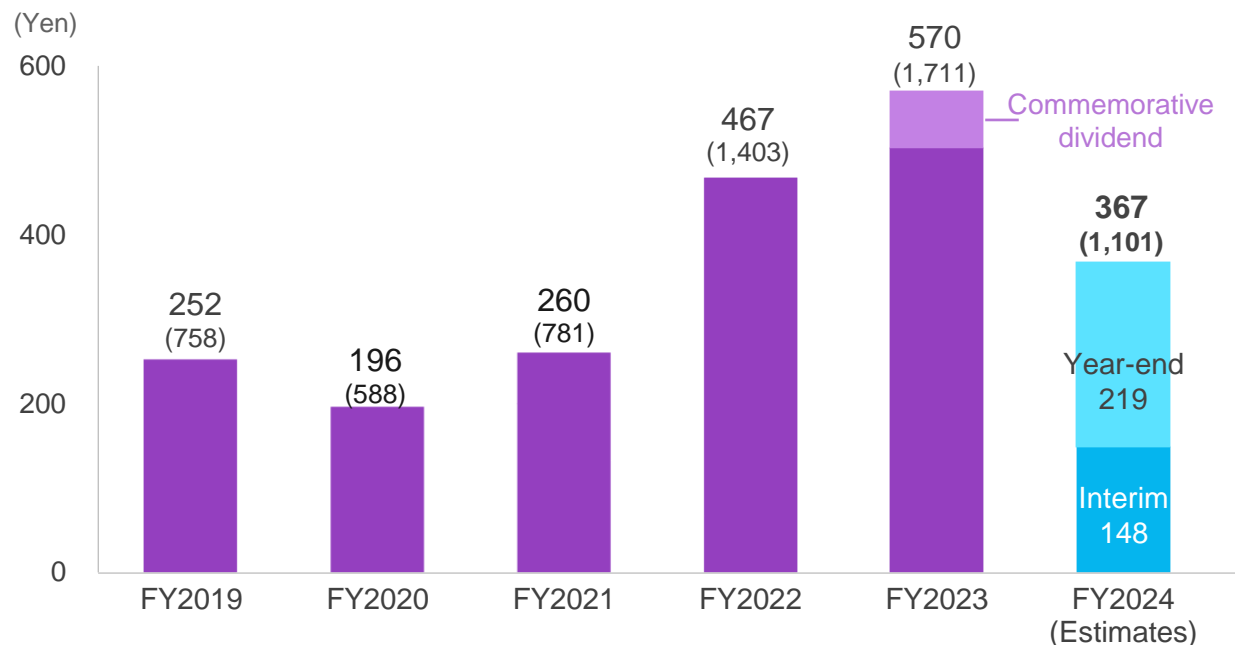
Recruitment

10,000
people
2,000 people/year



FY2024 Dividend Forecast

Dividend per Share



- Dividends per share from FY2019 to FY2023 are calculated on the assumption that the stock split was conducted at the beginning of FY2019.
- 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

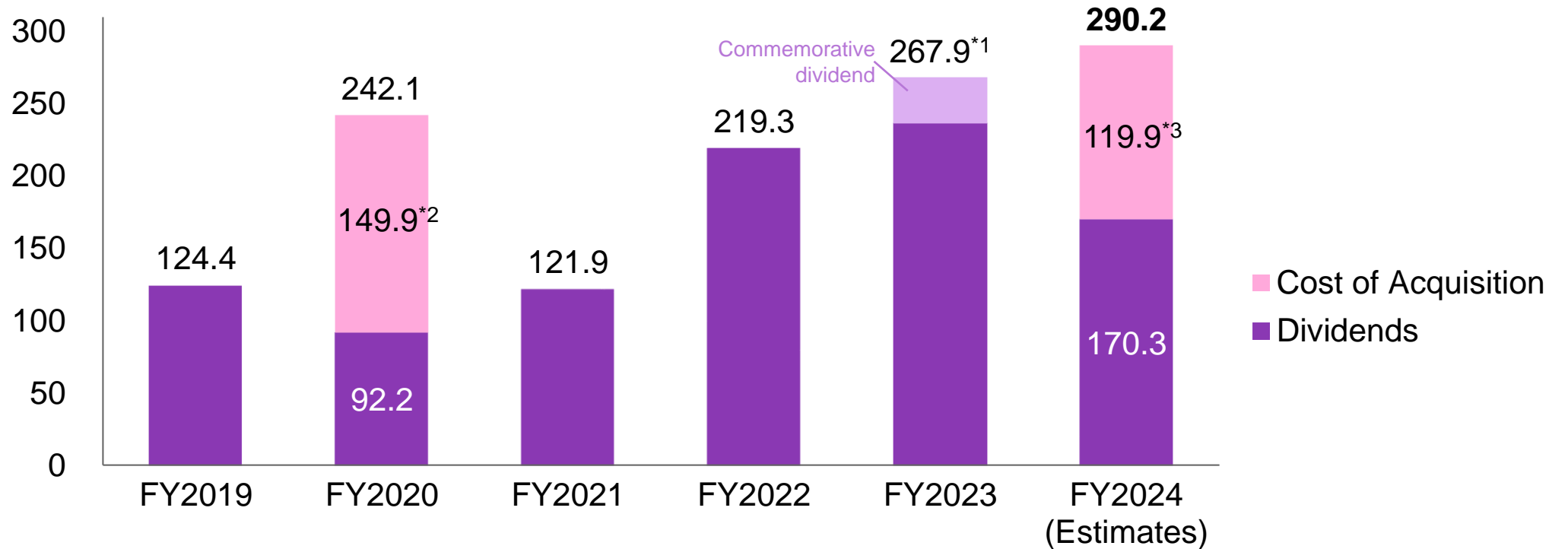
We will flexibly consider share buybacks

*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 367 yen per share**

Total Return Amount

(Billion yen)



*1 FY2023 dividend payment of 267.9 billion yen includes commemorative dividend (31.3 billion yen).

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

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

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

TEL | 60[↑] years