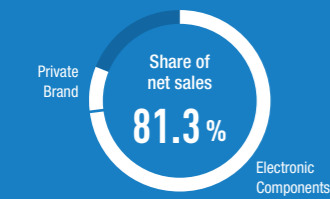


# At a Glance — The Businesses Powering TED's Growth

## Electronic Components Business



FY2020

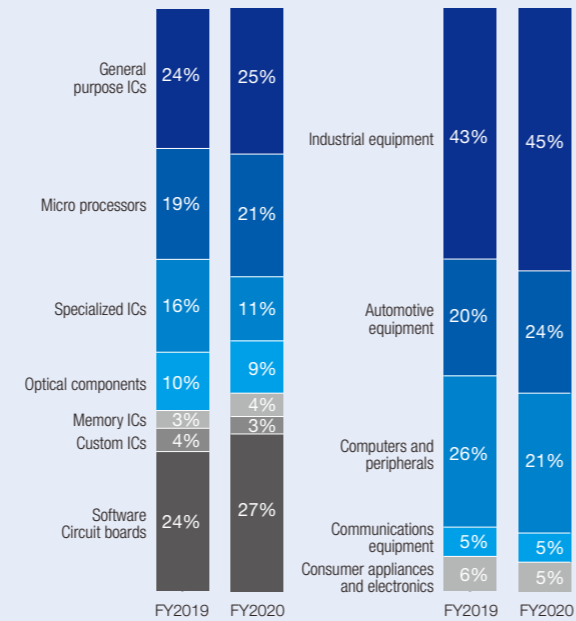
Net Sales **¥ 110,138 million**

Segment Profit **¥ 871 million**

### Business Overview

The use of semiconductor products in automobiles is increasing alongside the expansion and growing adoption of advanced driver support systems, and our product sales in this area were firm. Although demand for products used in industrial equipment gradually recovered, sales of products for computers and peripherals, as well as consumer appliances, were weak, and the transfer of certain commercial rights took longer than expected. As a result, segment net sales in fiscal 2020 came to ¥110,138 million, down 8.0% year on year, and segment profit (ordinary income) came to ¥871 million, down 33.9%.

Sales Component Ratio by Product Category Sales Component Ratio by Application

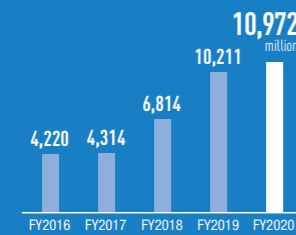


Category	Main suppliers	Function
General purpose ICs	Texas Instruments	ICs used for a variety of applications
Micro processors	Texas Instruments / NXP Semiconductors / Intel	ICs with arithmetic and control functions that serve as the brains of computers
Specialized ICs	Texas Instruments / Pixelworks / Excellitas / NXP Semiconductors / inrevium (private brand)	Specialized ICs made for specific applications
Optical components	Broadcom	Electronic components used to convert electricity into light
Memory ICs	Cypress Semiconductor	Memory ICs
Custom ICs	inrevium (private brand) / Lattice Semiconductor / Socionext	Custom ICs made according to customer specifications
Software Circuit boards	Microsoft / SanDisk / Cosel / Intel / inrevium (private brand)	Software embedded in industrial equipment and products (circuit boards) equipped with ICs, power supplies, connectors and other components on printed-wiring assemblies

Category	Main applications	Main customers
Industrial equipment	Medical equipment / Broadcasting equipment / Surveillance cameras / FA equipment / Measuring equipment / Industrial robots / Machine tools / Semiconductor production equipment / Inverters	Tokyo Electron / Panasonic / Hitachi / Mitsubishi Electric
Automotive equipment	Car navigation systems / Car audio equipment / Auto body-related products	Alps Alpine / Panasonic / Hitachi
Computers and peripherals	Multifunctional printers / Projectors / Office equipment / Storage / PCs and peripheral devices / POS terminals	Sharp / TOSHIBA / Fuji Xerox / FUJITSU
Communications equipment	Smartphones / Routers / Transmission equipment / Base stations	Sharp / Hitachi / FUJITSU / Mitsubishi Electric
Consumer appliances and electronics	Digital cameras / Digital video cameras / TVs / DVD / AV equipment / Home gaming consoles / Remote controls / Major home appliance	Sharp / Panasonic / Mitsubishi Electric / Yamaha

## Private Brand Business

Net Sales



The Private Brand Business is, for the sake of segment grouping, included in the Electronic Components Business. It comprises contracted design and production services, private brand products and the consolidated subsidiaries TOKYO ELECTRON DEVICE NAGASAKI LTD. ("TED Nagasaki") and FAST CORPORATION ("Fast"). Although sales were weak for contracted design and production service of industrial equipment, sales in TED Nagasaki's semiconductor production equipment business were firm, and Fast contributed to results throughout the fiscal year. As a result, fiscal 2020 net sales came to ¥10,972 million.

### Contracted Design and Production Services Flow



Our contracted design and manufacturing services, under the inrevium brand, are integrated from specification development to the design, prototyping, evaluation, production trials and mass production of customer products. We are shifting from the sale of individual semiconductor components, the conventional mainstay of the Electronic Components Business, to promote contracting services for the comprehensive design, development and manufacture of such products as modules, substrates and embedded systems.

### Private Brand Business Consolidated Subsidiary

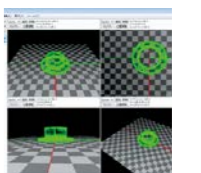
#### TOKYO ELECTRON DEVICE NAGASAKI LTD.

TED Nagasaki's production lines are capable of high-quality, small-lot, high-variety circuit board manufacturing, and the company handles mass production for Tokyo Electron Device's contracted design and production services. TED Nagasaki also offers both contracted manufacturing of products tailored to customer needs and private brand products planned in-house. These private brand products include CT cards for connecting phones with computers, telecommunication monitoring devices and next-generation smart grid products.

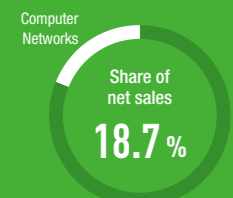


#### FAST CORPORATION

Fast is a manufacturer boasting image processing technologies that is engaged in the development and manufacture of such private brand products as an image processing software library, general purpose image processing equipment and image transfer circuit boards. By providing image processing software tailored to customers' manufacturing lines and processes, Fast helps promote automation and labor saving in manufacturing and inspection lines. We are applying the technologies of Tokyo Electron Device and Fast to jointly develop private brand products in such fields as robot vision.



## Computer Networks Business



FY2020

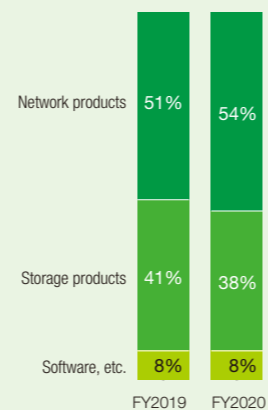
Net Sales **¥ 25,255 million**

Segment Profit **¥ 2,701 million**

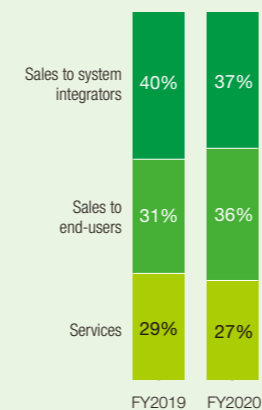
### Business Overview

Corporate investment in IT to revamp existing systems and improve operational efficiency remains firm. In addition, as cloud-based services expand, needs related to solving issues involving day-to-day operation and security are increasing. Sales of network and storage devices to data center operators, telecommunications operators and manufacturers were strong, as were sales of maintenance services. As a result, fiscal 2020 net sales came to ¥25,255 million, up 18.3% year on year, and segment profit (ordinary income) came to ¥2,701 million, up 53.7%.

Sales Component Ratio by Product Category



Sales Component Ratio by Application



Category	Main suppliers	Function
Network products	F5 Networks / Arista Networks	Internet connection load balancing (Ethernet switches mainly for large-scale data centers)
Storage products	Broadcom / Pure Storage / DELL EMC	High-speed connection and storage of bulk data
Software, etc.	Nutanix	Hyperconverged infrastructure

Category	Main customers
Sales to system integrators	IT service companies in Japan
Sales to end-users	Data centers, telecommunications operators and other general companies, government agencies, research facilities and educational institutions
Services	Data centers, telecommunications operators and other general companies, government agencies, research facilities and educational institutions

\* As of March 1, 2020, the Company's distributor agreement with Broadcom has been cancelled.