

# Summary of Consolidated Financial Results For The First Quarter Ended June 30, 2020 [Japanese GAAP]

July 27, 2020

Company name: TOKYO ELECTRON DEVICE LIMITED  
 Stock exchange listing: Tokyo Stock Exchange 1st Section (Code 2760)  
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(Amounts are rounded down to the nearest million yen.)

## 1. Consolidated Financial Highlights for the First Quarter Ended June 30, 2020 (April 1, 2020 to June 30, 2020)

### (1) Consolidated Operating Results (cumulative)

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
The First Quarter ended June 30, 2020	28,458	(12.8)	607	(15.2)	669	2.4	433	8.0
The First Quarter ended June 30, 2019	32,629	(2.7)	716	(4.5)	654	12.8	401	9.7

(Note) Comprehensive income: The First Quarter ended June 30, 2020 372 million yen [(8.2%)]  
 The First Quarter ended June 30, 2019 405 million yen [3.8%]

	Basic net income per share	Diluted net income per share
	Yen	Yen
The First Quarter ended June 30, 2020	43.23	—
The First Quarter ended June 30, 2019	39.45	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	78,050	27,015	33.8
As of March 31, 2020	76,539	27,141	34.6

(Reference) Equity: As of June 30, 2020 26,371 million yen As of March 31, 2020 26,476 million yen

## 2. Dividends

	Annual dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	—	40.00	—	50.00	90.00
Fiscal year ending March 31, 2021	—				
Fiscal year ending March 31, 2021 (Forecast)		40.00	—	68.00	108.00

(Note) Revision of dividends forecast: None

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Ordinary income		Net income attributable to owners of parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020 (cumulative)	65,000	(0.3)	1,100	(17.9)	700	(19.0)	69.83
Fiscal year ending March 31, 2021	138,000	1.9	4,100	14.7	2,700	18.0	269.36

(Note) Revision of financial forecasts: None

#### \*Notes

- (1) Changes of significant subsidiaries during the period : None
- (2) Changes in accounting policies, accounting estimates, and restatements
  - 1) Changes due to revision of accounting standards : None
  - 2) Changes in accounting standards other than 1) : None
  - 3) Changes in accounting estimates : None
  - 4) Restatements : None
- (3) Number of shares outstanding (common stock)
  - 1) Number of shares outstanding at the end of the period (including treasury stock):
 

June 30, 2020	10,445,500 shares
March 31, 2020	10,445,500 shares
  - 2) Number of shares of treasury stock at the end of the period:
 

June 30, 2020	397,434 shares
March 31, 2020	421,568 shares
  - 3) Average number of shares outstanding during the period:
 

The First Quarter ended June 30, 2020	10,034,910 shares
The First Quarter ended June 30, 2019	10,183,245 shares

(Note) The Company has adopted the Directors' Compensation BIP (Board Incentive Plan) Trust and the "Trust-Type Employee Shareholding Incentive Plan (E-Ship)", and has included the number of the Company's shares held by both Trusts accordingly in the number of shares of treasury stock.

\*This quarterly financial report is outside the scope of an audit procedure by the Certified Public Accountant or the Audit firm.

#### \*Explanation of the appropriate use of finance forecasts and other special notes

The financial forecasts and other estimates herein are based on currently available information and certain assumptions deemed reasonable at time of report issuance. The Company does not guarantee the achievement of these forecasts. Actual operating results may differ significantly from these forecasts due to various factors.

Consolidated Financial Statements and Segment Information

(1) Consolidated Balance Sheets

	(Millions of yen)	
	FY 2020 (As of Mar. 31, 2020)	FY 2021 (As of Jun. 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	4,492	4,586
Notes and accounts receivable - trade	32,874	28,570
Electronically recorded monetary claims - operating	1,869	1,718
Merchandise and finished goods	20,965	25,938
Raw materials	860	1,063
Other	7,619	8,314
Allowance for doubtful accounts	(12)	(5)
Total current assets	68,668	70,186
Non-current assets		
Property, plant and equipment	1,952	1,931
Intangible fixed assets	1,806	1,774
Investments and other assets		
Net defined benefit asset	55	72
Other	4,102	4,133
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	4,111	4,158
Total non-current assets	7,870	7,863
Total assets	76,539	78,050

(Millions of yen)

	FY 2020 (As of Mar. 31, 2020)	FY 2021 (As of Jun. 30, 2020)
<b>Liabilities</b>		
Current liabilities		
Accounts payable – trade	9,982	9,117
Short-term loans payable	6,681	3,294
Current portion of long-term loans payable	3,040	3,040
Advances received	7,687	9,760
Provision for bonuses	1,214	500
Other	2,447	2,120
Total current liabilities	31,054	27,833
Non-current liabilities		
Long-term loans payable	9,604	14,543
Net defined benefit liability	7,839	7,761
Other	899	896
Total non-current liabilities	18,344	23,200
Total liabilities	49,398	51,034
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,495	2,495
Capital surplus	5,645	5,645
Retained earnings	19,129	19,040
Treasury stock	(944)	(891)
Total shareholders' equity	26,325	26,290
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29	50
Deferred gains or losses on hedges	(57)	(92)
Foreign currency translation adjustment	137	92
Remeasurements of defined benefit plans	40	29
Total accumulated other comprehensive income	150	80
Non-controlling interests	665	644
Total net assets	27,141	27,015
<b>Total liabilities and net assets</b>	<b>76,539</b>	<b>78,050</b>

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	FY 2020 (from Apr. 1, 2019 to Jun. 30, 2019)	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)
Net sales	32,629	28,458
Cost of sales	27,941	24,120
Gross profit	4,688	4,338
Selling, general and administrative expenses		
Salaries and allowances	1,585	1,648
Provision for bonuses	503	436
Retirement benefit expenses	207	158
Other	1,675	1,487
Total selling, general and administrative expenses	3,971	3,731
Operating income	716	607
Non-operating income		
Share of profit of entities accounted for using equity method	9	25
Foreign exchange gains	–	39
Other	19	19
Total non-operating income	29	84
Non-operating expenses		
Interest expenses	30	16
Foreign exchange losses	50	–
Other	10	5
Total non-operating expenses	91	21
Ordinary income	654	669
Extraordinary income		
Gain on sales of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on sales of non-current assets	–	0
Loss on retirement of non-current assets	2	0
Loss on liquidation of subsidiaries and associates	5	–
Total extraordinary losses	7	1
Net income before income taxes	646	668
Income taxes	226	225
Net income	419	442
Net income attributable to non-controlling interests	17	8
Net income attributable to owners of parent	401	433

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2020 (from Apr. 1, 2019 to Jun. 30, 2019)	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)
Net income	419	442
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	20
Deferred gains or losses on hedges	39	(35)
Foreign currency translation adjustment	(76)	(32)
Remeasurements of defined benefit plans, net of tax	24	(10)
Share of other comprehensive income of associates accounted for using equity method	1	(12)
Total other comprehensive income	(13)	(69)
Comprehensive income	405	372
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	388	364
Comprehensive income attributable to non-controlling interests	17	8

## (3) Consolidated Statements of Cash Flow

(Millions of yen)

	FY 2020 (from Apr. 1, 2019 to Jun. 30, 2019)	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)
<b>Cash flows from operating activities</b>		
Net income before income taxes	646	668
Depreciation and amortization	132	140
Amortization of goodwill	8	8
Increase (decrease) in provision for bonuses	(858)	(712)
Increase (decrease) in net defined benefit liability	(26)	(103)
Interest expenses	30	16
Foreign exchange losses (gains)	(179)	(68)
Decrease (increase) in notes and accounts receivable - trade	3,861	4,404
Decrease (increase) in inventories	(1,137)	(5,045)
Increase (decrease) in notes and accounts payable - trade	228	(850)
Increase (decrease) in accounts payable - other	186	134
Increase (decrease) in advances received	2,077	2,073
Decrease (increase) in consumption taxes refund receivable	602	435
Decrease (increase) in accounts receivable - other	60	(689)
Decrease (increase) in prepaid expenses	(470)	(611)
Other, net	136	(28)
Subtotal	5,299	(228)
Interest and dividend income received	5	9
Interest expenses paid	(29)	(16)
Income taxes paid	(499)	(516)
Net cash provided by (used in) operating activities	4,776	(751)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(152)	(200)
Purchase of intangible assets	(18)	(13)
Proceeds from the liquidation of subsidiaries and associates	44	-
Other, net	(5)	(2)
Net cash provided by (used in) investing activities	(132)	(217)

(Millions of yen)

	FY 2020 (from Apr. 1, 2019 to Jun. 30, 2019)	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(2,579)	(3,364)
Proceeds from long-term borrowings	–	5,000
Repayments of long-term loans payable	(51)	(61)
Proceeds from disposal of treasury shares	31	38
Cash dividends paid	(553)	(501)
Dividends paid to non-controlling interests	(20)	(28)
Other, net	(8)	(12)
Net cash provided by (used in) financing activities	(3,182)	1,070
Effect of exchange rate change on cash and cash equivalents	(11)	(11)
Net increase (decrease) in cash and cash equivalents	1,450	90
Cash and cash equivalents at beginning of period	3,534	4,218
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	70	–
Cash and cash equivalents at end of period	5,055	4,309



(4) Segment Information

I. For the Period ended June 30, 2019 (From Apr. 1, 2019 to Jun. 30, 2019)

1. Information on the amount of net sales and income (loss) by segments

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	27,529	5,100	32,629	–	32,629
Inter-segment	–	–	–	–	–
Total	27,529	5,100	32,629	–	32,629
Segment income	223	430	654	–	654

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.

II. For the Period ended June 30, 2020 (From Apr. 1, 2020 to Jun. 30, 2020)

1. Information on the amount of net sales and income (loss) by segments

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	23,356	5,102	28,458	–	28,458
Inter-segment	–	–	–	–	–
Total	23,356	5,102	28,458	–	28,458
Segment income	77	592	669	–	669

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.