

Summary of Consolidated Financial Results For The First Quarter Ended June 30, 2021 [Japanese GAAP]

July 28, 2021

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, 2021 (April 1, 2021 to June 30, 2021)

(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, 2021	41,009	44.1	1,459	140.3	1,195	78.6	1,851	326.8
The First Quarter ended June 30, 2020	28,458	(12.8)	607	(15.2)	669	2.4	433	8.0

(Note) Comprehensive income: The First Quarter ended June 30, 2021 2,372 million yen [536.9%]
 The First Quarter ended June 30, 2020 372 million yen [(8.2%)]

	Basic net income per share	Diluted net income per share
	Yen	Yen
The First Quarter ended June 30, 2021	183.45	—
The First Quarter ended June 30, 2020	43.23	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	88,127	30,965	34.0
As of March 31, 2021	90,870	29,652	31.9

(Reference) Equity: As of June 30, 2021 29,979 million yen As of March 31, 2021 28,965 million yen

(Note) The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the first quarter ended June 30, 2021. The figures for the first quarter ended June 30, 2021, are the figures after the application of this accounting standard, etc.

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, 2021	–	40.00	–	85.00	125.00
Fiscal year ending March 31, 2022	–				
Fiscal year ending March 31, 2022 (Forecast)		80.00	–	95.00	175.00

(Note) Revision of dividends forecast: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% 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	%	
Six months ending September 30, 2021 (cumulative)	72,000	16.3	1,500	18.9	2,000	142.9	Yen 198.26
Fiscal year ending March 31, 2022	154,000	7.5	5,100	10.3	4,400	40.0	436.17

(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 : Yes
 - 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, 2021	10,445,500 shares
March 31, 2021	10,445,500 shares

2) Number of shares of treasury stock at the end of the period:

June 30, 2021	348,654 shares
March 31, 2021	357,754 shares

3) Average number of shares outstanding during the period:

The First Quarter ended June 30, 2021	10,092,779 shares
The First Quarter ended June 30, 2020	10,034,910 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 2021 (As of Mar. 31, 2021)	FY 2022 (As of Jun. 30, 2021)
Assets		
Current assets		
Cash and deposits	5,680	5,069
Notes and accounts receivable - trade	39,543	-
Notes and accounts receivable - trade, and contract assets	-	36,572
Electronically recorded monetary claims - operating	2,181	2,695
Merchandise and finished goods	24,795	22,450
Raw materials	849	1,015
Prepaid expenses	6,867	8,999
Other	2,810	1,333
Allowance for doubtful accounts	(6)	(6)
Total current assets	82,721	78,130
Non-current assets		
Property, plant and equipment	1,820	3,680
Intangible fixed assets	1,695	1,651
Investments and other assets		
Net defined benefit asset	330	346
Other	4,350	4,365
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	4,633	4,664
Total non-current assets	8,149	9,997
Total assets	90,870	88,127

(Millions of yen)

	FY 2021 (As of Mar. 31, 2021)	FY 2022 (As of Jun. 30, 2021)
Liabilities		
Current liabilities		
Accounts payable – trade	11,187	9,391
Short-term loans payable	8,918	5,587
Current portion of long-term loans payable	4,040	4,040
Income taxes payable	1,140	1,067
Advances received	10,201	12,711
Provision for bonuses	1,667	690
Other	2,841	2,582
Total current liabilities	39,997	36,073
Non-current liabilities		
Long-term loans payable	12,375	12,299
Net defined benefit liability	7,930	7,878
Other	914	910
Total non-current liabilities	21,220	21,088
Total liabilities	61,217	57,161
Net assets		
Shareholders' equity		
Capital stock	2,495	2,495
Capital surplus	5,652	5,652
Retained earnings	21,332	22,125
Treasury stock	(785)	(761)
Total shareholders' equity	28,694	29,512
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	73	74
Deferred gains or losses on hedges	(225)	(56)
Foreign currency translation adjustment	186	229
Remeasurements of defined benefit plans	235	219
Total accumulated other comprehensive income	270	466
Non-controlling interests	687	986
Total net assets	29,652	30,965
Total liabilities and net assets	90,870	88,127

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)	FY 2022 (from Apr. 1, 2021 to Jun. 30, 2021)
Net sales	28,458	41,009
Cost of sales	24,120	35,377
Gross profit	4,338	5,632
Selling, general and administrative expenses		
Salaries and allowances	1,648	1,720
Provision for bonuses	436	631
Retirement benefit expenses	158	157
Other	1,487	1,662
Total selling, general and administrative expenses	3,731	4,173
Operating income	607	1,459
Non-operating income		
Dividend income	1	31
Share of profit of entities accounted for using equity method	25	15
Foreign exchange gains	39	–
Other	18	10
Total non-operating income	84	57
Non-operating expenses		
Foreign exchange losses	–	289
Other	21	32
Total non-operating expenses	21	321
Ordinary income	669	1,195
Extraordinary income		
Gain on sales of non-current assets	–	1
Gain on receipt of donated non-current assets	–	1,888
Gain on sales of investments in capital of subsidiaries and affiliates	–	31
Total extraordinary income	–	1,921
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	0	0
Total extraordinary losses	1	0
Net income before income taxes	668	3,117
Income taxes	225	940
Net income	442	2,176
Net income attributable to non-controlling interests	8	325
Net income attributable to owners of parent	433	1,851

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)	FY 2022 (from Apr. 1, 2021 to Jun. 30, 2021)
Net income	442	2,176
Other comprehensive income		
Valuation difference on available-for-sale securities	20	0
Deferred gains or losses on hedges	(35)	168
Foreign currency translation adjustment	(32)	27
Remeasurements of defined benefit plans, net of tax	(10)	(16)
Share of other comprehensive income of associates accounted for using equity method	(12)	15
Total other comprehensive income	(69)	196
Comprehensive income	372	2,372
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	364	2,047
Comprehensive income attributable to non-controlling interests	8	325

(3) Consolidated Statements of Cash Flow

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)	FY 2022 (from Apr. 1, 2021 to Jun. 30, 2021)
Cash flows from operating activities		
Net income before income taxes	668	3,117
Depreciation and amortization	140	146
Amortization of goodwill	8	8
Increase (decrease) in provision for bonuses	(712)	(976)
Increase (decrease) in net defined benefit liability	(103)	(78)
Interest expenses	16	21
Foreign exchange losses (gains)	(68)	(344)
Loss (gain) on sales of investments in capital of subsidiaries and affiliates	–	(31)
Gain on receipt of donated non-current assets	–	(1,888)
Decrease (increase) in notes and accounts receivable - trade and contract assets	4,404	2,487
Decrease (increase) in inventories	(5,045)	1,375
Increase (decrease) in notes and accounts payable - trade	(850)	(1,794)
Increase (decrease) in accounts payable - other	134	27
Increase (decrease) in advances received	2,073	1,705
Decrease (increase) in consumption taxes refund receivable	435	1,454
Decrease (increase) in accounts receivable - other	(689)	166
Decrease (increase) in prepaid expenses	(611)	(819)
Other, net	(28)	161
Subtotal	(228)	4,739
Interest and dividend income received	9	52
Interest expenses paid	(16)	(21)
Income taxes paid	(516)	(1,011)
Net cash provided by (used in) operating activities	(751)	3,760
Cash flows from investing activities		
Purchase of property, plant and equipment	(200)	(116)
Purchase of intangible assets	(13)	(9)
Other, net	(2)	(2)
Net cash provided by (used in) investing activities	(217)	(128)

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Jun. 30, 2020)	FY 2022 (from Apr. 1, 2021 to Jun. 30, 2021)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,364)	(3,330)
Proceeds from long-term borrowings	5,000	—
Repayments of long-term loans payable	(61)	(76)
Proceeds from disposal of treasury shares	38	48
Cash dividends paid	(501)	(857)
Dividends paid to non-controlling interests	(28)	(26)
Other, net	(12)	(12)
Net cash provided by (used in) financing activities	1,070	(4,255)
Effect of exchange rate change on cash and cash equivalents	(11)	9
Net increase (decrease) in cash and cash equivalents	90	(614)
Cash and cash equivalents at beginning of period	4,218	5,391
Cash and cash equivalents at end of period	4,309	4,777

(4) Segment Information

I. 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, and breakdown of revenue

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Semiconductor & Boards Products, etc.	23,356	–	23,356	–	23,356
Storage & Network Products, etc.	–	2,746	2,746	–	2,746
Maintenance & Monitoring Services	–	2,355	2,355	–	2,355
Revenue from contracts with customers	23,356	5,102	28,458	–	28,458
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.

II. For the Period ended June 30, 2021 (From Apr. 1, 2021 to Jun. 30, 2021)

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

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Semiconductor & Boards Products, etc.	36,554	–	36,554	–	36,554
Storage & Network Products, etc.	–	2,219	2,219	–	2,219
Maintenance & Monitoring Services	–	2,235	2,235	–	2,235
Revenue from contracts with customers	36,554	4,455	41,009	–	41,009
Outside customers	36,554	4,455	41,009	–	41,009
Inter-segment	–	–	–	–	–
Total	36,554	4,455	41,009	–	41,009
Segment income	809	386	1,195	–	1,195

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