

# Summary of Consolidated Financial Results

## For The Third Quarter Ended December 31, 2021

### [Japanese GAAP]

January 28, 2022

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 Third Quarter Ended December 31, 2021 (April 1, 2021 to December 31, 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 Third Quarter ended December 31, 2021	127,892	29.0	4,733	90.0	4,260	63.1	3,895	118.0
The Third Quarter ended December 31, 2020	99,106	0.7	2,490	15.0	2,612	30.9	1,786	37.8

(Note) Comprehensive income: The Third Quarter ended December 31, 2021 4,488 million yen [158.3%]  
 The Third Quarter ended December 31, 2020 1,737 million yen [25.4%]

	Basic net income per share	Diluted net income per share
	Yen	Yen
The Third Quarter ended December 31, 2021	390.44	—
The Third Quarter ended December 31, 2020	177.68	—

##### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	103,927	30,767	28.6
As of March 31, 2021	90,870	29,652	31.9

(Reference) Equity: As of December 31, 2021 29,761 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 third quarter ended December 31, 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	–	105.00	–		
Fiscal year ending March 31, 2022 (Forecast)				100.00	205.00

(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	%	Yen
Fiscal year ending March 31, 2022	172,000	20.1	6,200	34.0	5,200	65.4	518.79

(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):

December 31, 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:

December 31, 2021	558,575 shares
March 31, 2021	357,754 shares
  - 3) Average number of shares outstanding during the period:

The Third Quarter ended December 31, 2021	9,976,457 shares
The Third Quarter ended December 31, 2020	10,053,945 shares

(Note) The Company has adopted the Directors' Compensation BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership 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 Dec. 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	5,680	6,618
Notes and accounts receivable - trade	39,543	-
Notes and accounts receivable - trade, and contract assets	-	42,369
Electronically recorded monetary claims - operating	2,181	3,239
Merchandise and finished goods	24,795	26,897
Raw materials	849	1,346
Other	9,677	13,505
Allowance for doubtful accounts	(6)	(6)
Total current assets	82,721	93,968
Non-current assets		
Property, plant and equipment	1,820	3,702
Intangible assets	1,695	1,577
Investments and other assets		
Retirement benefit asset	330	379
Other	4,350	4,347
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	4,633	4,679
Total non-current assets	8,149	9,959
<b>Total assets</b>	90,870	103,927

(Millions of yen)

	FY 2021 (As of Mar. 31, 2021)	FY 2022 (As of Dec. 31, 2021)
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	11,187	13,593
Short-term borrowings	8,918	15,142
Current portion of long-term borrowings	4,040	4,840
Income taxes payable	1,140	1,262
Advances received	10,201	14,318
Provision for bonuses	1,667	850
Other	2,841	3,041
Total current liabilities	39,997	53,048
Non-current liabilities		
Long-term borrowings	12,375	11,045
Retirement benefit liability	7,930	7,898
Other	914	1,167
Total non-current liabilities	21,220	20,111
Total liabilities	61,217	73,160
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,495	2,495
Capital surplus	5,652	5,652
Retained earnings	21,332	23,072
Treasury shares	(785)	(1,977)
Total shareholders' equity	28,694	29,243
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	73	42
Deferred gains or losses on hedges	(225)	(56)
Foreign currency translation adjustment	186	345
Remeasurements of defined benefit plans	235	187
Total accumulated other comprehensive income	270	518
Non-controlling interests	687	1,005
Total net assets	29,652	30,767
Total liabilities and net assets	90,870	103,927

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

## Consolidated Statements of Income

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Dec. 31, 2020)	FY 2022 (from Apr. 1, 2021 to Dec. 31, 2021)
Net sales	99,106	127,892
Cost of sales	85,058	110,212
Gross profit	14,047	17,680
Selling, general and administrative expenses		
Salaries and allowances	4,992	5,192
Provision for bonuses	609	805
Retirement benefit expenses	485	472
Other	5,469	6,476
Total selling, general and administrative expenses	11,556	12,946
Operating income	2,490	4,733
Non-operating income		
Dividend income	2	32
Dividend income of insurance	33	44
Share of profit of entities accounted for using equity method	57	54
Foreign exchange gains	44	–
Other	58	29
Total non-operating income	196	161
Non-operating expenses		
Foreign exchange losses	–	554
Other	75	80
Total non-operating expenses	75	634
Ordinary income	2,612	4,260
Extraordinary income		
Gain on sales of non-current assets	1	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	1,921
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	8	5
Provision of allowance for doubtful accounts of golf club membership	0	0
Loss on redemption of golf club membership	–	0
Loss on change in equity	19	–
Provision for loss on abolishment of trust	–	112
Total extraordinary losses	29	117
Net income before income taxes	2,584	6,064
Income taxes	741	1,824
Net income	1,842	4,240
Net income attributable to non-controlling interests	56	344
Net income attributable to owners of parent	1,786	3,895

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Dec. 31, 2020)	FY 2022 (from Apr. 1, 2021 to Dec. 31, 2021)
Net income	1,842	4,240
Other comprehensive income		
Valuation difference on available-for-sale securities	35	(31)
Deferred gains or losses on hedges	26	168
Foreign currency translation adjustment	(128)	143
Remeasurements of defined benefit plans, net of tax	(31)	(48)
Share of other comprehensive income of entities accounted for using equity method	(7)	14
Total other comprehensive income	(105)	248
Comprehensive income	1,737	4,488
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,680	4,143
Comprehensive income attributable to non-controlling interests	56	344

## (3) Consolidated Statements of Cash Flow

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Dec. 31, 2020)	FY 2022 (from Apr. 1, 2021 to Dec. 31, 2021)
<b>Cash flows from operating activities</b>		
Net income before income taxes	2,584	6,064
Depreciation and amortization	427	489
Amortization of goodwill	26	26
Increase (decrease) in provision for bonuses	(541)	(817)
Increase (decrease) in retirement benefit liability	28	(112)
Interest expenses	56	57
Foreign exchange losses (gains)	(153)	(188)
Loss (gain) on sales of investments in capital of subsidiaries and affiliates	–	(31)
Gain on receipt of donated non-current assets	–	(1,888)
Provision for loss on abolishment of trust	–	112
Decrease (increase) in notes and accounts receivable-trade and contract assets	(2,001)	(3,577)
Decrease (increase) in inventories	(5,478)	(3,371)
Increase (decrease) in trade payables	(1,190)	2,398
Increase (decrease) in accounts payable - other	280	(8)
Increase (decrease) in advances received	2,624	3,307
Decrease (increase) in consumption taxes refund receivable	(657)	(152)
Decrease (increase) in accounts receivable - other	(24)	224
Decrease (increase) in prepaid expenses	(781)	(2,114)
Loss (gain) on change in equity	19	–
Other, net	45	(5)
Subtotal	(4,735)	409
Interest and dividends received	19	100
Interest paid	(56)	(57)
Income taxes paid	(1,004)	(1,785)
Net cash provided by (used in) operating activities	(5,776)	(1,333)
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	(10)	188
Purchase of property, plant and equipment	(272)	(284)
Purchase of intangible assets	(64)	(28)
Proceeds from sales of investments in capital of subsidiaries and affiliates	–	43
Other, net	(17)	(8)
Net cash provided by (used in) investing activities	(364)	(90)

(Millions of yen)

	FY 2021 (from Apr. 1, 2020 to Dec. 31, 2020)	FY 2022 (from Apr. 1, 2021 to Dec. 31, 2021)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	3,154	6,096
Proceeds from long-term borrowings	7,000	2,700
Repayments of long-term borrowings	(2,675)	(3,230)
Purchase of treasury shares	(0)	(1,268)
Proceeds from disposal of treasury shares	127	166
Dividends paid	(903)	(1,894)
Dividends paid to non-controlling interests	(28)	(26)
Repayments of lease obligations	(34)	(41)
Net cash provided by (used in) financing activities	6,638	2,501
Effect of exchange rate change on cash and cash equivalents	(28)	48
Net increase (decrease) in cash and cash equivalents	469	1,126
Cash and cash equivalents at beginning of period	4,218	5,391
Cash and cash equivalents at end of period	4,687	6,517



(4) Segment Information

I. For the Period ended December 31, 2020 (From Apr. 1, 2020 to Dec. 31, 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.	83,614	–	83,614	–	83,614
Storage & Network Products, etc.	–	8,717	8,717	–	8,717
Maintenance & Monitoring Services	–	6,774	6,774	–	6,774
Revenue from contracts with customers	83,614	15,492	99,106	–	99,106
Outside customers	83,614	15,492	99,106	–	99,106
Inter-segment	83	–	83	(83)	–
Total	83,697	15,492	99,190	(83)	99,106
Segment income	1,068	1,544	2,612	–	2,612

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

II. For the Period ended December 31, 2021 (From Apr. 1, 2021 to Dec. 31, 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.	112,412	–	112,412	–	112,412
Storage & Network Products, etc.	–	8,818	8,818	–	8,818
Maintenance & Monitoring Services	–	6,661	6,661	–	6,661
Revenue from contracts with customers	112,412	15,479	127,892	–	127,892
Outside customers	112,412	15,479	127,892	–	127,892
Inter-segment	–	–	–	–	–
Total	112,412	15,479	127,892	–	127,892
Segment income	3,021	1,239	4,260	–	4,260

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

2. Matters about changes of Reported Segments, etc.

The Company has applied the “Accounting Standard for Revenue Recognition”, etc. effective from the beginning of the first quarter ended June 30, 2021, and accordingly changed the methods relevant to measuring profits or losses of business segments in the same manner.

As a result, in comparison with the previous method, net sales of “Electric Components Business” decreased by 3,416 million yen and segment income of the segment decreased by 26 million yen. In addition, net sales of “Computer Networks Business” decreased by 942 million yen and segment income of the segment decreased by 150 million yen.