

# Summary of Consolidated Financial Results

## For the Fiscal Year Ended March 31, 2020 [Japanese GAAP]

April 28, 2020

Company name: TOKYO ELECTRON DEVICE LIMITED  
 Stock exchange listing: Tokyo Stock Exchange 1st Section (Code 2760)  
 URL: <https://www.teldevice.co.jp/eng/>  
 Representative: Atsushi Tokushige, President & Representative Director  
 Contact: Hiroki Tanaka, Director, Financial Department  
 TEL: +81-45-443-4000  
 Scheduled date for the general meeting of shareholders: June 17, 2020  
 Scheduled date for dividend payment: June 1, 2020

(Amounts are rounded down to the nearest million yen.)

### 1. Consolidated financial highlights for the fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

#### (1) Consolidated operating results

(% 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	%
Fiscal year ended March 31, 2020	135,394	(4.0)	3,810	8.1	3,573	16.1	2,288	(2.2)
Fiscal year ended March 31, 2019	141,000	(11.8)	3,525	27.9	3,077	16.7	2,341	46.5

(Note) Comprehensive income: Fiscal year ended March 31, 2020 2,236 million yen [(18.6%)]  
 Fiscal year ended March 31, 2019 2,747 million yen [80.4%]

	Basic net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2020	224.44	—	8.8	4.6	2.8
Fiscal year ended March 31, 2019	230.65	—	9.4	3.7	2.5

(Reference) Share of profit (loss) of entities accounted for using equity method: As of March 31, 2020 46 million yen As of March 31, 2019 9 million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	76,539	27,141	34.6	2,641.28
As of March 31, 2019	78,352	26,410	32.9	2,536.29

(Reference) Equity: As of March 31, 2020 26,476 million yen As of March 31, 2019 25,805 million yen

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2020	8,651	(549)	(7,479)	4,218
Fiscal year ended March 31, 2019	12,335	(1,708)	(10,504)	3,534

## 2. Dividends

	Annual dividends per share					Total dividends paid (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2019	—	40.00	—	53.00	93.00	971	40.3	3.8
Fiscal year ended March 31, 2020	—	40.00	—	50.00	90.00	940	40.1	3.5
Fiscal year ending March 31, 2021 (Forecast)	—	40.00	—	68.00	108.00		40.1	

## 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

### \*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 shares):

March 31, 2020	10,445,500 shares
March 31, 2019	10,445,500 shares

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

March 31, 2020	421,568 shares
March 31, 2019	270,846 shares

- 3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2020	10,198,579 shares
Fiscal year ended March 31, 2019	10,150,477 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 treasury shares.

(Reference) Non-consolidated financial highlights for the fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(1) Non-consolidated operating results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2020	116,565	7.1	3,327	55.5	3,124	36.8	2,130	(19.6)
Fiscal year ended March 31, 2019	108,812	(0.3)	2,139	207.5	2,284	63.3	2,651	342.4

	Basic net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2020	208.91	—
Fiscal year ended March 31, 2019	261.18	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	68,891	23,588	34.2	2,353.22
As of March 31, 2019	68,438	22,932	33.5	2,253.89

(Reference) Equity: As of March 31, 2020 23,588 million yen As of March 31, 2019 22,932 million yen

\*This 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)

	Fiscal Year 2019 (As of Mar. 31, 2019)	Fiscal Year 2020 (As of Mar. 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	3,794	4,492
Notes and accounts receivable - trade	34,192	32,874
Electronically recorded monetary claims - operating	1,904	1,869
Merchandise and finished goods	24,119	20,965
Raw materials	693	860
Prepaid expenses	4,017	5,440
Other	1,720	2,179
Allowance for doubtful accounts	(22)	(12)
Total current assets	70,420	68,668
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,822	1,930
Accumulated depreciation	(1,186)	(1,310)
Buildings and structures, net	636	619
Machinerys and equipment	249	361
Accumulated depreciation	(100)	(146)
Machinery and equipment, net	149	214
Tools, furniture and fixtures	1,782	1,882
Accumulated depreciation	(1,344)	(1,354)
Tools, furniture and fixtures, net	438	527
Land	510	510
Other	11	129
Accumulated depreciation	(5)	(48)
Other, net	5	80
Total property, plant and equipment	1,740	1,952
Intangible assets		
Goodwill	502	467
Technical assets	776	721
Customer related assets	492	457
Other	190	159
Total intangible assets	1,961	1,806
Investments and other assets		
Net defined benefit asset	357	55
Deferred tax assets	3,011	3,200
Other	928	901
Allowance for doubtful accounts	(66)	(47)
Total investments and other assets	4,230	4,111
Total non-current assets	7,932	7,870
<b>Total assets</b>	<b>78,352</b>	<b>76,539</b>

(Millions of yen)

	Fiscal Year 2019 (As of Mar. 31, 2019)	Fiscal Year 2020 (As of Mar. 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,516	9,982
Short-term loans payable	10,321	6,681
Current portion of long-term loans payable	3,191	3,040
Advances received	5,918	7,687
Provision for bonuses	1,419	1,214
Other	2,633	2,447
Total current liabilities	32,000	31,054
Non-current liabilities		
Long-term loans payable	11,925	9,604
Net defined benefit liability	7,409	7,839
Other	607	899
Total non-current liabilities	19,942	18,344
Total liabilities	51,942	49,398
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,495	2,495
Capital surplus	5,645	5,645
Retained earnings	17,781	19,129
Treasury shares	(401)	(944)
Total shareholders' equity	25,521	26,325
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22	29
Deferred gains or losses on hedges	13	(57)
Foreign currency translation adjustment	187	137
Remeasurements of defined benefit plans	61	40
Total accumulated other comprehensive income	284	150
Non-controlling interests	604	665
Total net assets	26,410	27,141
<b>Total liabilities and net assets</b>	<b>78,352</b>	<b>76,539</b>

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

## Consolidated Statements of Income

(Millions of yen)

	Fiscal Year 2019 (from Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year 2020 (from Apr. 1, 2019 to Mar. 31, 2020)
Net sales	141,000	135,394
Cost of sales	121,295	115,491
Gross profit	19,705	19,902
Selling, general and administrative expenses		
Salaries and allowances	6,252	6,471
Provision for bonuses	1,334	1,108
Retirement benefit expenses	961	823
Other	7,631	7,687
Total selling, general and administrative expenses	16,179	16,091
Operating income	3,525	3,810
Non-operating income		
Dividend income of insurance	41	35
Share of profit of entities accounted for using equity method	9	46
Outsourcing service income	3	21
Other	48	60
Total non-operating income	103	164
Non-operating expenses		
Interest expenses	182	103
Foreign exchange losses	315	257
Other	54	40
Total non-operating expenses	551	401
Ordinary income	3,077	3,573
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	207	-
Total extraordinary income	207	0
Extraordinary losses		
Loss on sales of non-current assets	3	0
Loss on retirement of non-current assets	4	2
Loss on valuation of investment securities	20	-
Provision of allowance for doubtful accounts of golf club membership	-	0
Loss on liquidation of subsidiaries and associates	-	28
Loss on revision of retirement benefit plan	-	313
Total extraordinary losses	27	346
Net income before income taxes	3,257	3,227
Income taxes - current	1,049	1,053
Income taxes - deferred	(195)	(196)
Total income taxes	853	856
Net income	2,403	2,370
Net income attributable to non-controlling interests	61	81
Net income attributable to owners of parent	2,341	2,288

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal Year 2019 (from Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year 2020 (from Apr. 1, 2019 to Mar. 31, 2020)
Net income	2,403	2,370
Other comprehensive income		
Valuation difference on available-for-sale securities	(21)	7
Deferred gains or losses on hedges	(118)	(70)
Foreign currency translation adjustment	93	(52)
Remeasurements of defined benefit plans, net of tax	399	(20)
Share of other comprehensive income of entities accounted for using equity method	(8)	3
Total other comprehensive income	344	(133)
Comprehensive income	2,747	2,236
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,685	2,155
Comprehensive income attributable to non-controlling interests	61	81

(3) Consolidated Statements of Changes in Shareholders' equity  
Fiscal Year 2019 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital Stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,495	5,645	16,234	(478)	23,897
Changes of items during period					
Increase by merger					—
Dividends of surplus			(793)		(793)
Net income attributable to owners of parent			2,341		2,341
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				76	76
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,547	76	1,624
Balance at end of current period	2,495	5,645	17,781	(401)	25,521

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	43	132	102	(338)	(59)	563	24,401
Changes of items during period							
Increase by merger							—
Dividends of surplus							(793)
Net income attributable to owners of parent							2,341
Purchase of treasury shares							(0)
Disposal of treasury shares							76
Net changes of items other than shareholders' equity	(21)	(118)	84	399	344	40	384
Total changes of items during period	(21)	(118)	84	399	344	40	2,008
Balance at end of current period	22	13	187	61	284	604	26,410



Fiscal Year 2020 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital Stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,495	5,645	17,781	(401)	25,521
Changes of items during period					
Increase by merger			29		29
Dividends of surplus			(971)		(971)
Net income attributable to owners of parent			2,288		2,288
Purchase of treasury shares				(719)	(719)
Disposal of treasury shares				175	175
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	1,347	(543)	803
Balance at end of current period	2,495	5,645	19,129	(944)	26,325

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	22	13	187	61	284	604	26,410
Changes of items during period							
Increase by merger							29
Dividends of surplus							(971)
Net income attributable to owners of parent							2,288
Purchase of treasury shares							(719)
Disposal of treasury shares							175
Net changes of items other than shareholders' equity	7	(70)	(49)	(20)	(133)	60	(72)
Total changes of items during period	7	(70)	(49)	(20)	(133)	60	730
Balance at end of current period	29	(57)	137	40	150	665	27,141

## (4) Consolidated Statements of Cash Flow

(Millions of yen)

	Fiscal Year 2019 (from Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year 2020 (from Apr. 1, 2019 to Mar. 31, 2020)
<b>Cash flows from operating activities</b>		
Net income before income taxes	3,257	3,227
Depreciation	483	604
Amortization of goodwill	26	35
Increase (decrease) in provision for bonuses	178	(205)
Increase (decrease) in net defined benefit liability	270	247
Interest expenses	182	103
Foreign exchange losses (gains)	668	8
Loss on valuation of investment securities	20	-
Loss (gain) on sales of investment securities	(207)	-
Loss on revision of retirement benefit plan	-	313
Decrease (increase) in notes and accounts receivable - trade	8,816	1,311
Decrease (increase) in inventories	1,760	2,664
Increase (decrease) in notes and accounts payable - trade	(2,353)	1,396
Increase (decrease) in accounts payable - other	(129)	(124)
Increase (decrease) in advances received	652	1,769
Decrease (increase) in consumption taxes refund receivable	579	(354)
Decrease (increase) in accounts receivable - other	787	74
Decrease (increase) in prepaid expenses	(675)	(1,421)
Other, net	(275)	177
Subtotal	14,042	9,826
Interest and dividend income received	11	15
Interest expenses paid	(182)	(104)
Income taxes paid	(1,536)	(1,086)
Net cash provided by (used in) operating activities	12,335	8,651
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(224)	(488)
Proceeds from sales of property, plant and equipment	182	0
Purchase of intangible assets	(38)	(56)
Proceeds from sales of investment securities	207	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,833)	-
Proceeds from the liquidation of subsidiaries and associates	-	44
Payments for liquidation of subsidiaries and associates	-	(22)
Other, net	(1)	(26)
Net cash provided by (used in) investing activities	(1,708)	(549)

(Millions of yen)

	Fiscal Year 2019 (from Apr. 1, 2018 to Mar. 31, 2019)	Fiscal Year 2020 (from Apr. 1, 2019 to Mar. 31, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(11,254)	(3,555)
Proceeds from long-term loans payable	4,800	720
Repayments of long-term loans payable	(3,351)	(3,191)
Purchase of treasury shares	-	(719)
Proceeds from disposal of treasury shares	97	275
Cash dividends paid	(770)	(947)
Dividends paid to non-controlling interests	(21)	(20)
Other, net	(3)	(41)
Net cash provided by (used in) financing activities	(10,504)	(7,479)
Effect of exchange rate change on cash and cash equivalents	5	(9)
Net increase (decrease) in cash and cash equivalents	128	613
Cash and cash equivalents at beginning of period	3,406	3,534
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	70
Cash and cash equivalents at end of period	3,534	4,218

## (5) Segment Information

### 1. Overview of Reported Segments

#### (1) The method to categorize reported segments

The reported segments of the Company are those units for which separate financial statements can be obtained among the constituent units of the Company and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

#### (2) Products and services categorized for each reported segments

The Company operates its business activities under separated sales units for each group of products and services. The Company categorizes two reported segments, “Electric Components Business” and “Computer Networks Business”.

“Electric Components Business” focuses on sales of semiconductor products and other electric components, and “Computer Networks Business” focuses on sales of computer network devices and data storage servers.

### 2. Basis for Calculating Net sales, Income (loss), Assets, Liabilities, and Other Items by Reported Segment

The accounting methods used for reportable segments are the same as those used for preparing the Consolidated Financial Statements.

### 3. Information on Amounts of Net sales, Income (loss), Assets, Liabilities, and other Items by Reportable Segment

Fiscal Year 2019 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	119,660	21,340	141,000	—	141,000
Inter-segment	—	—	—	—	—
Total	119,660	21,340	141,000	—	141,000
Segment income	1,319	1,757	3,077	—	3,077
Segment assets	64,047	14,305	78,352	—	78,352
Other items					
Depreciation	328	138	466	—	466
Amortization of goodwill	26	—	26	—	26
Interest expenses	177	4	182	—	182
Increase in property, plant, and equipment, and intangible assets	2,723	133	2,857	—	2,857

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

Fiscal Year 2020 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	110,138	25,255	135,394	—	135,394
Inter-segment	—	—	—	—	—
Total	110,138	25,255	135,394	—	135,394
Segment income	871	2,701	3,573	—	3,573
Segment assets	57,830	18,708	76,539	—	76,539
Other items					
Depreciation	435	175	611	—	611
Amortization of goodwill	35	—	35	—	35
Interest expenses	97	5	103	—	103
Increase in property, plant, and equipment, and intangible assets	294	301	596	—	596

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