



Financial Briefing for the Fiscal Year Ended March 31, 2024

TOKYO ELECTRON DEVICE

May 1, 2024

Financial Report

Corporate Director / Senior Executive Vice President
Yukio Saeki

Forecast of Financial Results for the Fiscal Year Ending
March 31, 2025

Medium-Term Management Plan VISION2030

President & Representative Director
Atsushi Tokushige



Financial Report

Corporate Director / Senior Executive Vice President
Yukio Saeki

Summary : Financial Results for the Fiscal Year Ended March 31, 2024

Year-on-Year Comparison: Higher sales and income

Net sales: 1.1% increase
Ordinary income: 11.6% increase
Net income attributable to owners of parent: 13.8% increase

Achieved record financial results

Reached VISION 2025 targets*¹ for second consecutive year*²

Achieved forecast ordinary income ratio and ROE*³ for fiscal year ended March 31, 2025 one year ahead of schedule

※1 FY2023/FY2024

※2 Net Sales:¥200.0 bill±10%, Ordinary income ratio:5.0%, ROE:15.0%

※3 Net Sales:¥250.0 bill, Ordinary income ratio:5.5%, ROE:20.0%

Summary of Financial Results: Comparison with Prior Year

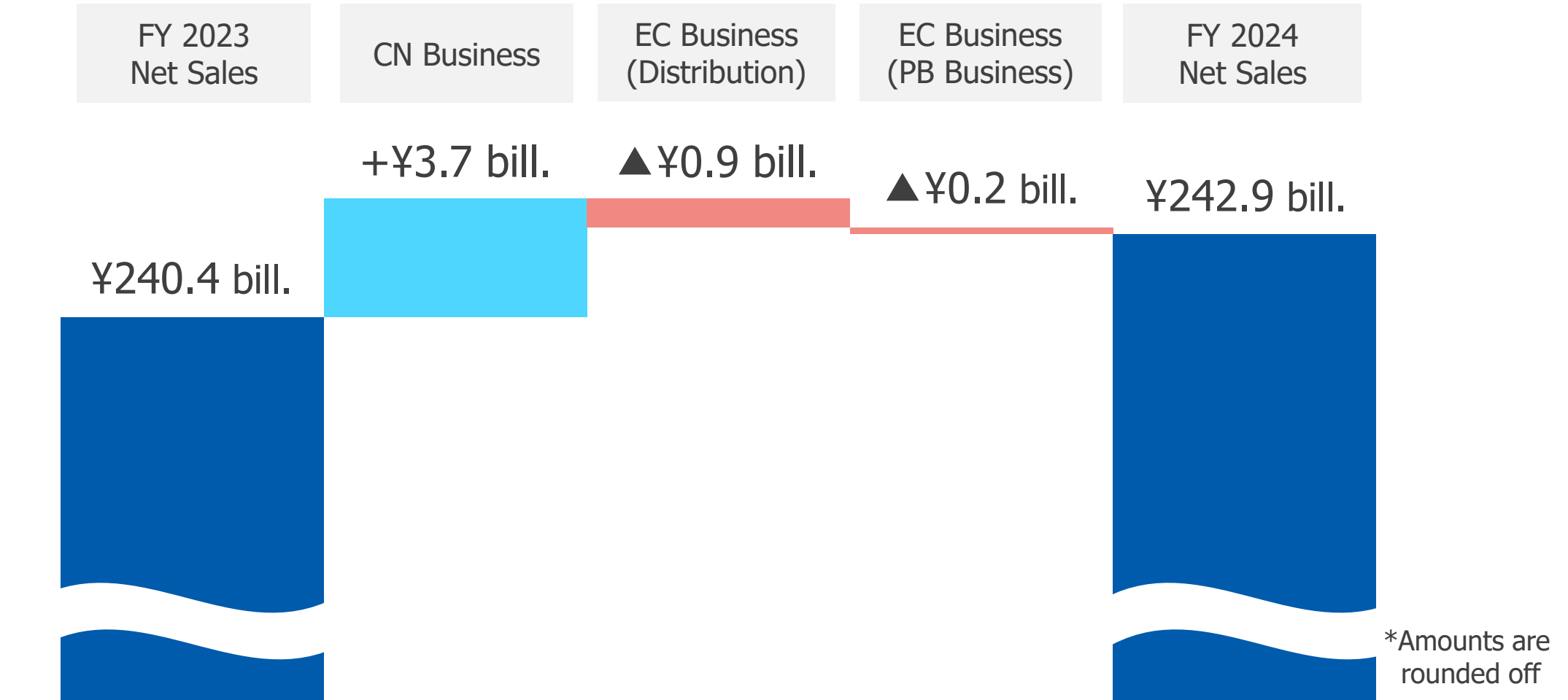


(Million yen)

	FY 2023	FY 2024	Change	FY 2024 Forecast
Net sales	240,350	242,888	2,538	250,000
Cost of sales	206,106	205,720	▲385	
Gross profit	34,243	37,168	2,924	
Selling, general & administrative expenses	20,016	21,739	1,722	
Operating income	14,227	15,428	1,201	
Non-operating income	268	414	146	
Non-operating expenses	2,016	1,920	▲95	
Ordinary income	12,478	13,922	1,443	13,500
Net income	8,778	9,986	1,208	9,770
Number of employees	1,318	1,357	39	

*Net income is net income attributable to owners of the parent.

Summary of Financial Results: Change in Net Sales



In the segment categories, the PB Business is included in the EC Business.
 PB is an abbreviation of "Private Brand;" the title was changed from In-House Brand Business, which was used in the past.
 The PB Business includes Tokyo Electron Device Nagasaki Limited and FAST CORPORATION.

Sales and Income by Segment

- CN Business: Security-related and maintenance & monitoring services, etc. stock businesses and network-related products performed well. Income ratio improved and sales and income grew due to handling of foreign exchange rates
- EC Business: Despite expansion of commercial rights, sales decreased due to stagnation of Chinese market and the shift to direct manufacturer-to-consumer sales by semiconductor. Profit was flat.

(Million yen)

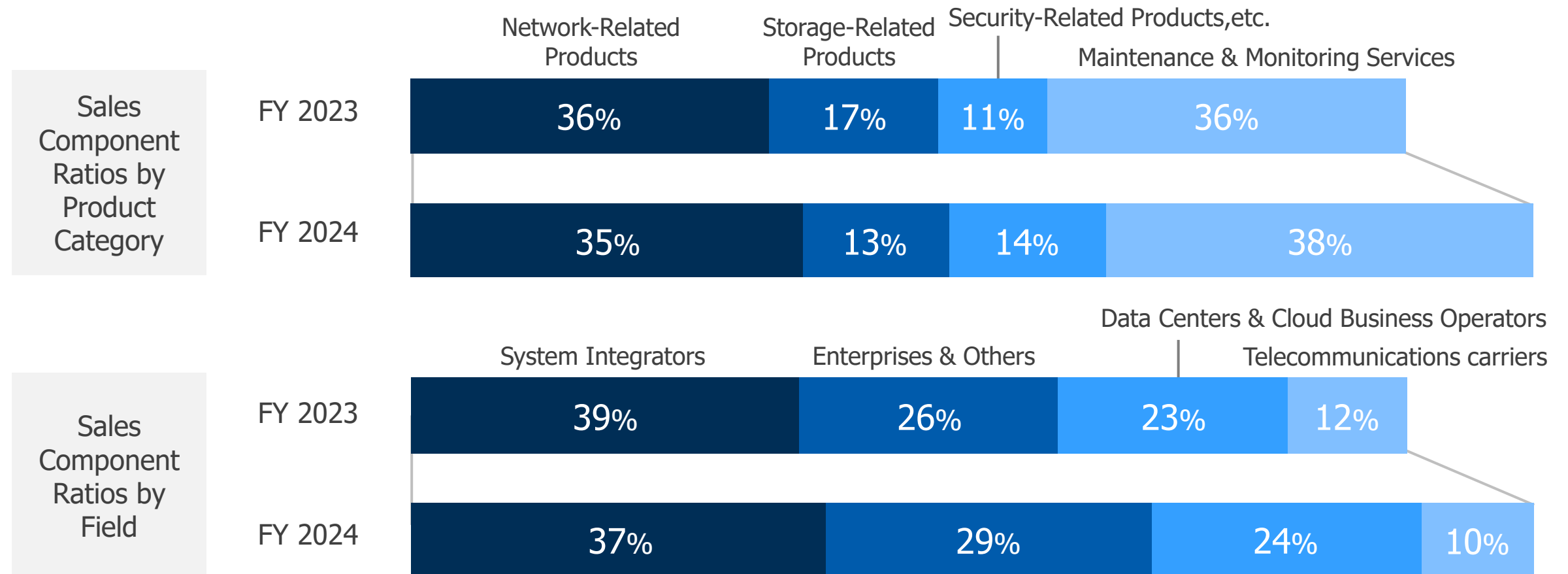
	FY 2023		FY 2024			
	Net Sales	Segment Income	Net Sales	Change	Segment Income	Change
Computer Networks (CN) business	29,255	2,019	32,978	3,723	3,463	1,443
Electronic Components (EC) business	211,094	10,459	209,909	▲1,184	10,459	▲0
Total	240,350	12,478	242,888	2,538	13,922	1,443

*Segment income is ordinary income

*In the segment categories, the PB Business is included in the EC Business

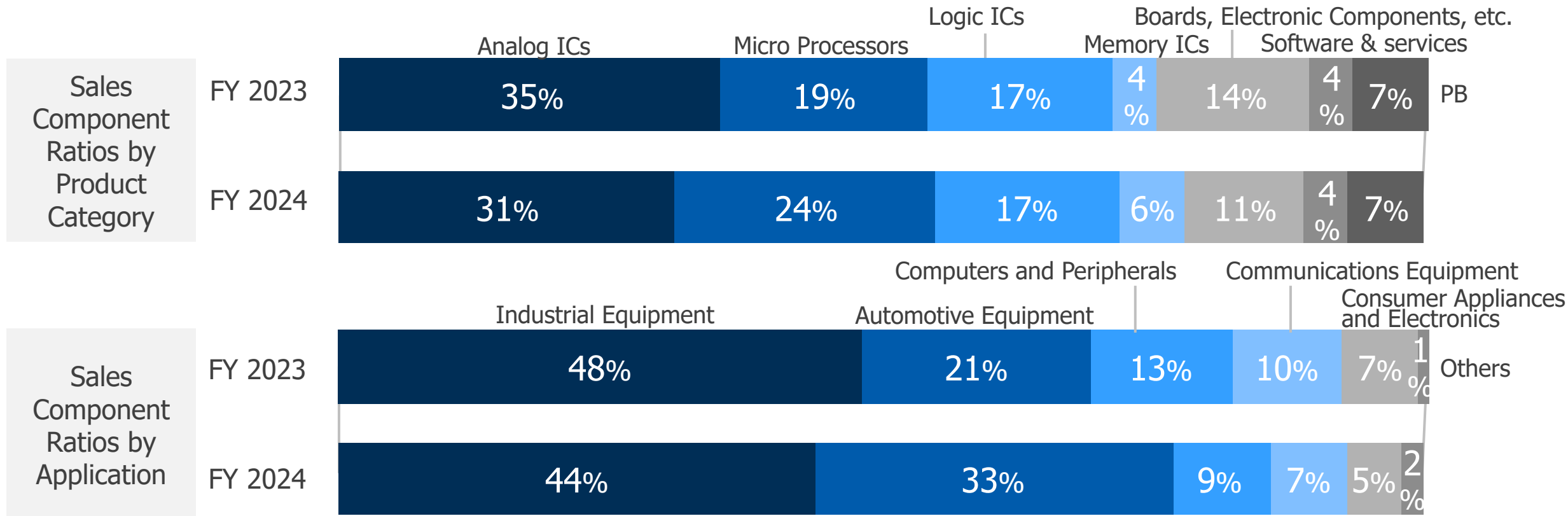
Segment Information: CN Business

- Network-Related Products: Sales to data centers & cloud business operators and enterprises were steady
- Security-Related Products, etc.: Sales to system integrators were strong
- Maintenance & Monitoring Services: Sales across the equipment maintenance were strong



Segment Information: EC Business

- Industrial equipment: Decreased substantially due to lower demand for industrial equipment and decreased sales of analog ICs due to the shift to direct manufacturer-to-consumer sales
- Automotive equipment: Demand was steady. Sales of processors and memory ICs increased substantially due to expansion of commercial rights
- Computers and peripherals: Sales of communication equipment and consumer appliances and electronics were weak



※ The categorization for Sales Component Ratios by Application for the EC Business has been change

Consolidated Overseas Subsidiaries: Net Sales—EC Business



- Computers and peripherals: Sales for industrial equipment were weak
- Sales for automotive equipment expanded

	FY 2023	FY 2024	Change	Rate of Change
Consolidated overseas subsidiaries net sales (million yen)	52,358	51,442	▲916	▲1.8%
Consolidated overseas subsidiaries net sales ratio	24.8%	24.5%		
Consolidated overseas subsidiaries net sales (\$1M)	386	355	▲30	▲7.9%
Exchange rate (yen)	135.50	144.59		

*The net sales ratio is the ratio to EC Business net sales.

PB Business: Net Sales—EC Business

- TED: Sales of wafer inspection systems contributed. Design & manufacturing services for medical equipment were steady
- TED Nagasaki: Sales for electrical and industrial equipment were strong and sales for semiconductor manufacturing equipment were reduced
- FAST: Sales of inspection systems were weak

(Million yen)

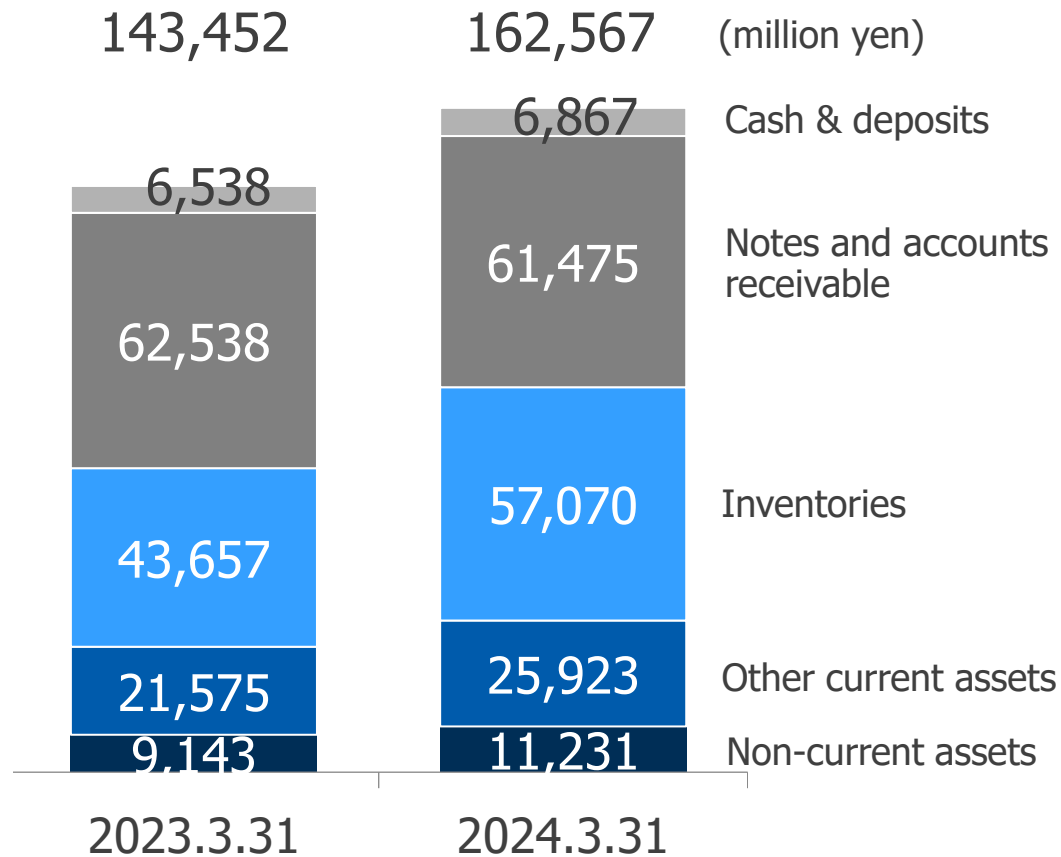
	FY 2023	FY 2024	Change	Rate of Change
PB business net sales	14,498	14,251	▲247	▲1.7%
Net sales ratio	6.9%	6.8%		

*The net sales ratio is the ratio to EC Business net sales.

Balance Sheet

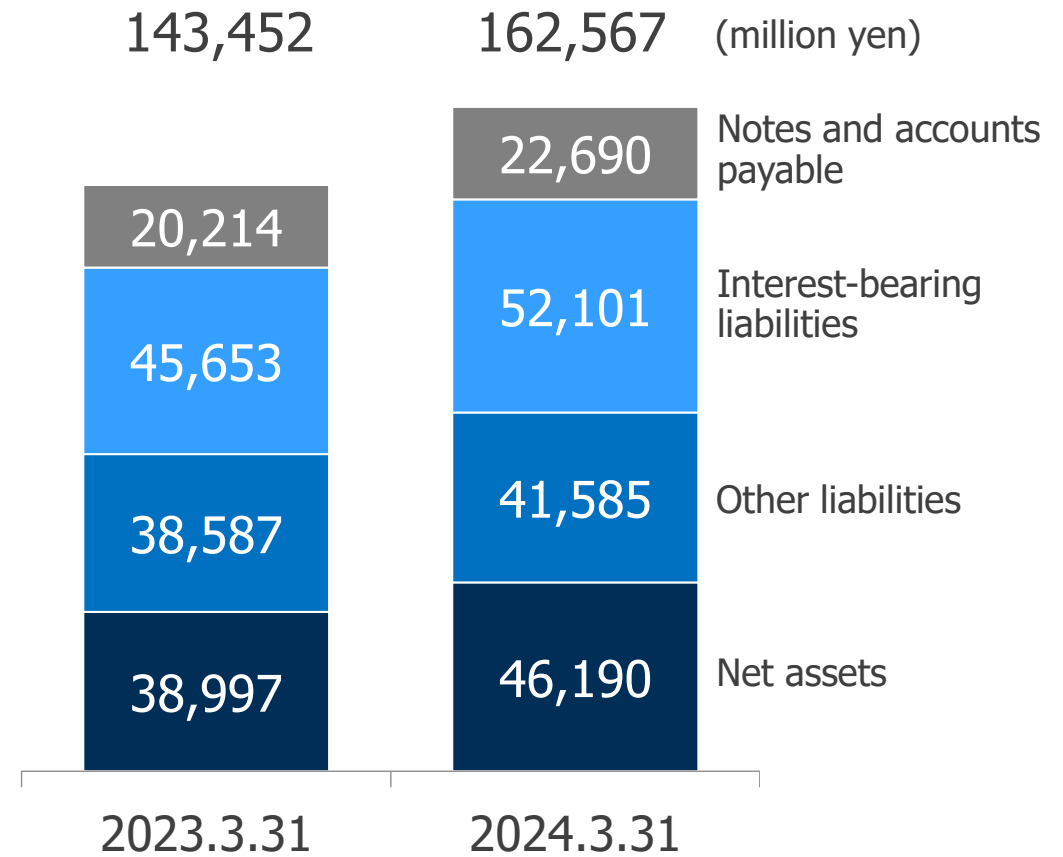
Assets

- Inventories increased with expansion of commercial rights, etc.
- Goodwill and intangible assets increased due to business acquisition



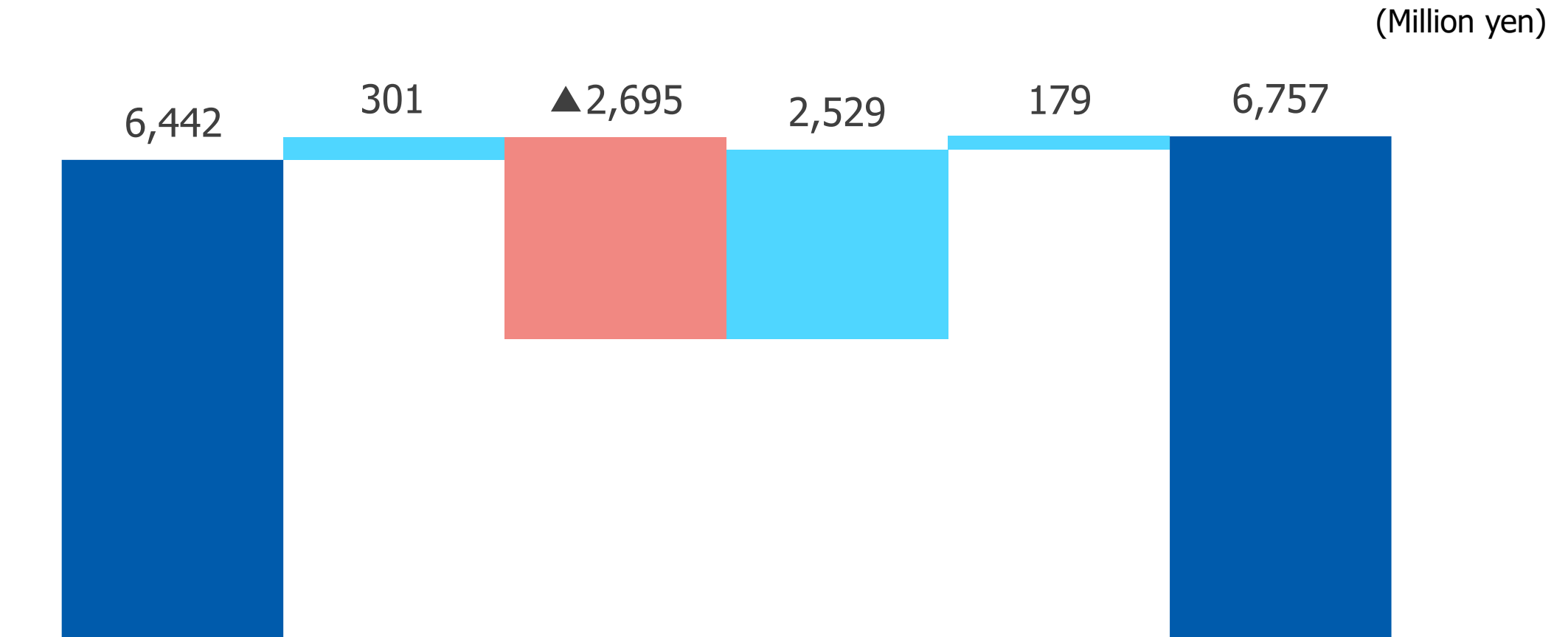
Liabilities & Net Assets

- Interest bearing liabilities increased due to increased inventories
- Net assets increased due to increased profits



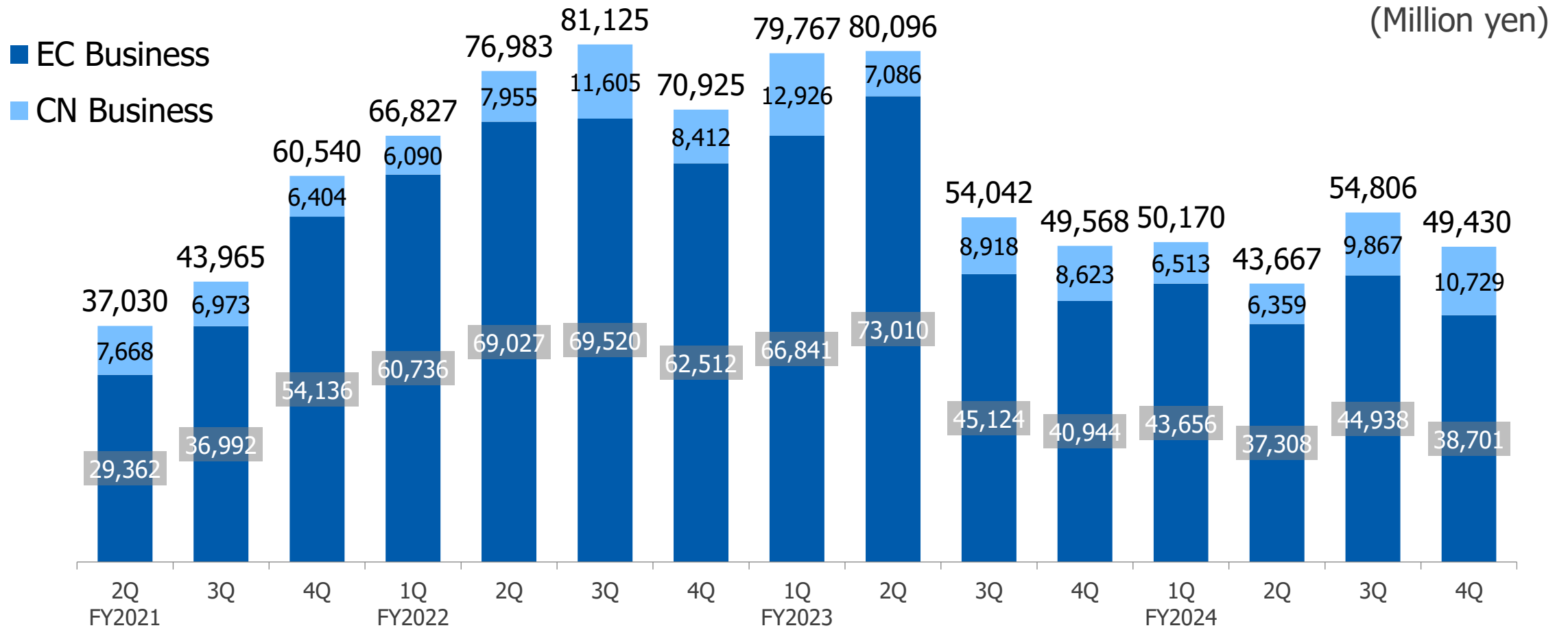
Statement of Cash Flows

2023.3.31 Balance of Cash	Operating C/F	Investment C/F	Financial C/F	Exchange differences	2024.3.31 Balance of Cash
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Changes in Orders Received

- CN Business: IT investment situation was steady. There were large orders in 3Q and 4Q of FY2024
- EC Business: Order decrease continued from 3Q of FY2023 due to rebound of long-term orders





Forecast of Financial Results for the Fiscal Year Ending March 31, 2025

President & Representative Director
Atsushi Tokushige

Summary : Forecast of Financial Results for the Fiscal Year Ending March 31, 2025

Will exceed targets set in VISION 2025 for third consecutive year, but financial results will fall short of the previous fiscal year

Adjustments will continue, bottoming out in 1st half of FY2025 and shift to a recovery trend will occur in 2nd half of FY2025

Main background:

- High level of inventory in supply chain (prolonged by stagnant market conditions in China)
- Shift to direct manufacturer-to-consumer sales by some semiconductor manufacturers (big impact in 2nd half)
- Inflow of new customer commercial rights (full-scale from 2nd half)

Assumptions of Business Plan

		FY2024		FY2025	
		1 st Half	2 nd Half	1 st Half	2 nd Half
		Growth Period	Adjustment Period	Bottoming Out Period	Recovery Period
E C · P B	Semiconductor, wafer market conditions	High level of inventory in supply chain		To inventory level optimization	
	Market conditions in China	Prolonged stagnation		Recovery trend	
	Industrial equipment market	Sluggish due to impact of market conditions in China		Recovery trend	
	Automotive equipment market	Change to steady		Change to steady	
	Commercial rights	Contribution of new customer commercial rights	Full-scale direct manufacturer-to-consumer sales	Contribution of new customer commercial rights	
C N	Market trends	Change to steady IT market, mainly in security		Change to steady IT market, mainly in security	
	New distributor agreements	Acquisition of new agreements		Acquisition of new agreements	
Exchange rate trends		Year-on-year change to weaker yen		Year-on-year change to weaker yen	
Net sales		¥242.8 bill		¥230.0 bill	
Ordinary income ratio		5.7 %		5.5 %	
ROE		25.1 %		19.2 %	

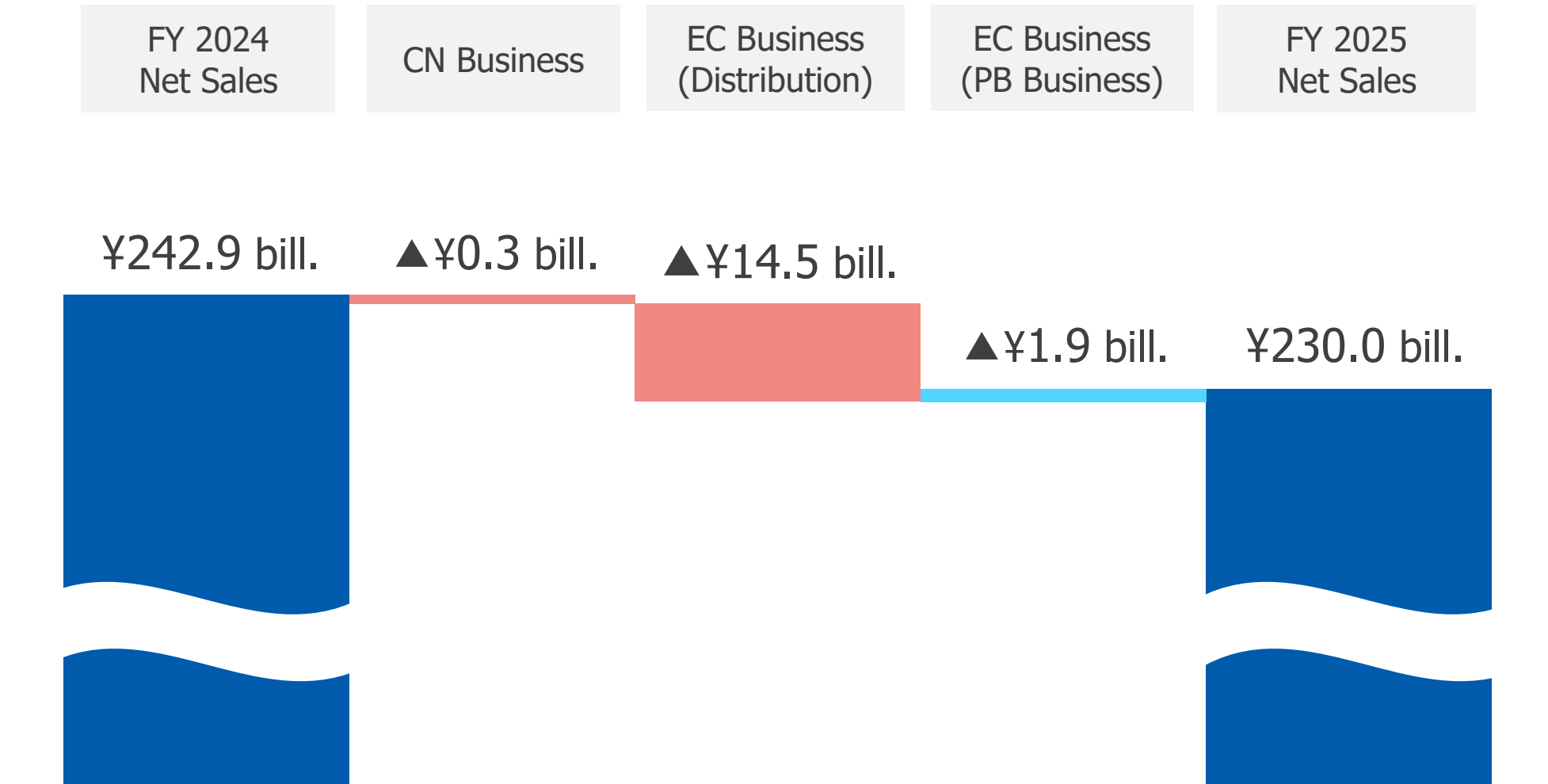
Forecast of Financial Results for the Fiscal Year Ending March 31, 2025

(Million yen)

	FY 2024	FY 2025			YoY Change	
	Full Year	1 st Half Forecast	2 nd Half Forecast	Full Year Forecast	Change	Rate of Change
Net sales	242,888	110,000	120,000	230,000	▲ 12,888	▲ 5.3%
CN Business	32,978	14,850	17,800	32,650	▲ 328	▲ 1.0%
EC Business (Consolidated)	209,909	95,150	102,200	197,350	▲ 12,599	▲ 6.0%
EC Business	195,658	87,380	93,820	181,200	▲ 14,458	▲ 7.4%
PB Business	14,251	7,770	8,380	16,150	1,898	13.3%
Ordinary income (income ratio)	13,922 (5.7%)	5,500 (5.0%)	7,200 (6.0%)	12,700 (5.5%)	▲ 1,222	▲ 8.8%
Net income (income ratio)	9,986 (4.1%)	3,800 (3.5%)	4,900 (4.1%)	8,700 (3.8%)	▲ 1,286	▲ 12.9%

*Net income is net income attributable to owners of the parent

Forecast of Financial Results for the Fiscal Year Ending March 31, 2025: Changes in Net Sales



*Amounts are rounded off

Initiatives for Profitable Growth

Promotion of promising businesses with a focus on strengthening manufacturer functions and service business

CN Business

Start handling new products

- Strengthen marketing by TED America

Expand stock business

- In-house services
- Technical consulting services

EC Business

Expand handling of products

- Acquire new customer commercial rights
- Promote new supplier agreements

Promote solutions business (coordination with PB)

- Systems development services using products handled

Strengthen cloud AI and edge AI business

- Provide services and solutions with Microsoft as the core

PB Business

Strengthen wafer inspection systems business

- Full-scale start of wafer inspections systems delivery
- Technology sharing
- Sales promotion to wafer manufacturers in Japan and overseas

Strengthen TED Nagasaki manufacturing line

- Increase production capacity through capital expenditure

Strengthen Vision automation system

- Add TriMath functionality

Strengthen Wafer Inspection System Business

Full-scale start of delivery of silicon wafer inspection system
 Commercialization and overseas expansion of SiC inspection system

	To FY 2024	FY 2025	From FY 2026
<p>Silicon wafer inspection system</p> <p>Main applicable products: Semiconductor products in general</p>	<p>Acquired business from Nippon Electro-Sensory Devices Corporation (October 2023)</p>	<ul style="list-style-type: none"> ● Full-scale start of delivery of silicon wafer inspection system ● Commercialization and overseas expansion of SiC inspection system 	<ul style="list-style-type: none"> ● Development of next-generation products Strengthen business synergies
<p>Compound semiconductor wafer inspection system</p> <p>Main applicable products: Power semiconductors/sensors/filters, etc.</p>	<ul style="list-style-type: none"> ● Started sales (2020) ● Strengthened functions Increased number of cassettes and wafer diameter sizes ● Expanded inspection targets ● Started overseas sales 	<ul style="list-style-type: none"> ● Development of field support system ● Promotion of R&D 	

Shareholder Return: Dividend

Dividends per share

(Yen)

	FY 2024	FY 2025
Interim	※ 61	52
Year-End	74	65
Full-year	135	117

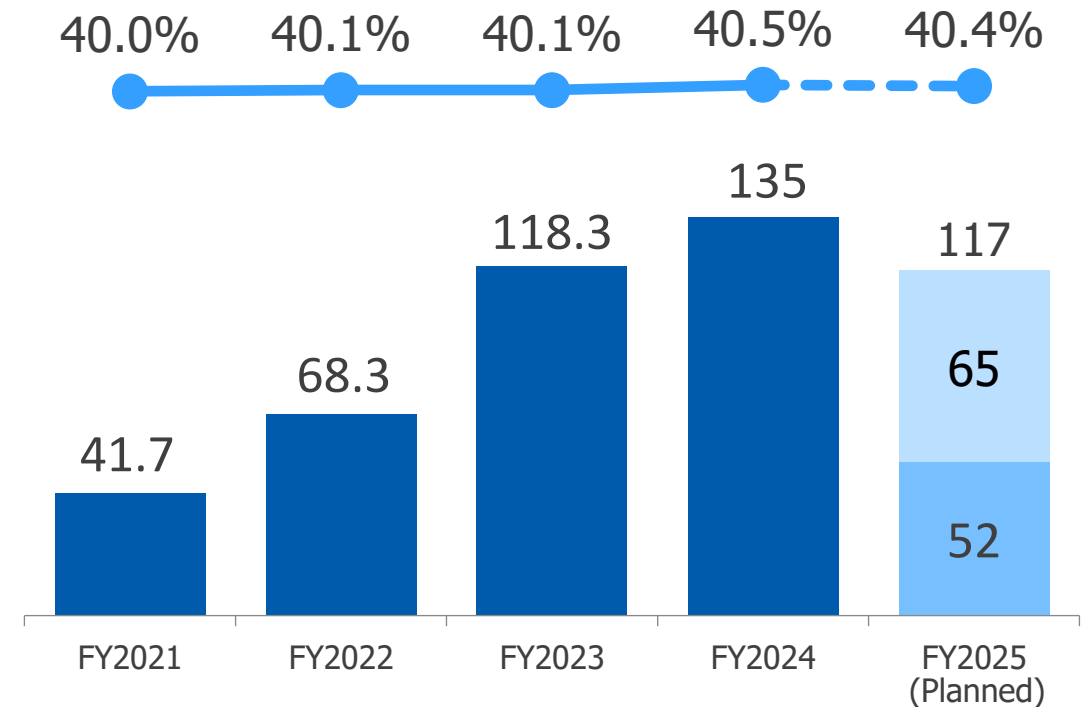
*Conducted a share split at a ratio of three shares for one ordinary share on October 1, 2023
(Dividend amounts prior to September 2023 are shown assuming that the share split had taken place)

Dividend policy

- Dividend payout ratio: 40%
- Stable, continuous dividends

Dividends / Dividend Payout Ratio

● Dividend Payout Ratio (%)
■ Dividends Per Share (yen)



*Conducted a share split at a ratio of three shares for one ordinary share on October 1, 2023
(Dividend amounts prior to September 2023 are shown assuming that the share split had taken place)

Initiatives to Strengthen Group Management

- Introduction of the Corporate Officer System
- Establishment of Title, Chief Executive Office (CEO)
- Office Relocation



<Shibuya Sakura Stage>



Medium-Term Management Plan VISION2030

Address social issues through leading-edge technology, primarily semiconductors and IT, and to contribute to the sustainable development of society by offering solutions to those issues that have value beyond expectations

**A company that solves latent social issues
with the capabilities of a manufacturer and
a technical trading company**

Aim to solve potential social issues (customer issues) with the power of being a manufacturer and technology trading company

- All business units will work on in-house products (services) development and create Group synergies to propose solutions to problems with value that exceeds expectations
- The Technology Trading Company Department will acquire new distributor agreements and customer commercial rights to strengthen marketing to address potential issues
- Actively utilize M&A to quickly establish a business foundation that enables problem-solving

Take actions that contribute to sustainable profit growth

- Actively invest in in-house products (services) development that can differentiate the Company's products.
- Transition from a flow-type to a stock-type service business
- Invest to increase medium- to long-term profit (research and development, human resources recruitment, employee training, etc.)

Management Policy by Business (Overview)

CN Business

- Understand customer needs and offer solutions and services that support customer's DX
- Support customer's use of digital technology and increase customer satisfaction

EC Business

- Focus on growth markets such as industrial equipment, automotive-related equipment, cloud services, and the OT security field
- Leverage specialized semiconductor knowledge and develop a solutions-based business

PB Business

- Provide products centered on wafer inspection systems globally with measurement and inspection technology at the core
- Strengthen medical ODM and board OEM services by leveraging semiconductor-related technology and high-quality development and manufacturing infrastructure

VISION 2030 Financial Model (Target Management Indicators)



Pursuing Sustainable Profit Growth with Profit and Revenue Growth
(Profit Growth Outpacing Revenue Growth)

Fiscal 2030

- Net sales $\text{¥}300.0 \sim \text{¥}350.0$ billion
- Ordinary income ratio $\geq 8\%$
- ROE $\geq 20\%$

	Percentage of total sales	Ordinary income ratio
CN Business	15 %	12 %
EC Business	75 %	7 %
PB Business	10 %	10 %

Review and Outlook of the Medium-Term Management Plan

VISION 2020

Technology trading company
×
Manufacturer functions

Build a business that is an engine for growth

Net Sales : ¥143.2 billion
Ordinary Income ratio : 3.2 %
ROE : 11.4 %

VISION 2025

To become a manufacturer with technology trading company functions

Launch growth businesses

FY2025 (Planned)

Net Sales : ¥230.0 billion
Ordinary Income ratio : 5.5 %
ROE : 19.2 %

VISION 2030

Solve social issues with the power of being a manufacturer and technology trading company

Accelerate profit growth

FY2030 (Target Amount)

Net Sales : ¥300.0
~ ¥350.0 billion
Ordinary Income ratio : ≥8.0 %
ROE : ≥20.0 %

2016

2021

2022

2025

2026

2030

Growth Investment	Investment for sustainable growth <ul style="list-style-type: none">● Aggressive investment for technology development and business expansion (including M&A)● Investment in internal and external DX to strengthen competitiveness● Actively invest in human resource development
Shareholder Return	Long-term high returns due to profit growth <ul style="list-style-type: none">● Achieve sustainable profit growth and improve enterprise value● Shareholder returns according to financial results (dividend payout ratio: 40% target)
Financial Soundness	Strengthen financial structure and appropriate financial leverage <ul style="list-style-type: none">● Equity ratio: 40% or more● ROE: 20% or more● Maintain appropriate inventory levels

Further improvement of enterprise value through sustainable profit growth

Fundamental Policy

- Contribute to the sustainable development of a more prosperous society by providing a variety of solutions through our business activities.
- Aim for the sustainable development of the Group and the enhancement of corporate value by engaging in solutions to material issues

Material issues

1. Leverage the resources that the Company has accumulated with a focus on electronics and IT to contribute to the realization of a sustainable society
2. With respect for fundamental human rights at the core, create work environments and personnel systems that facilitate work and provide meaningful work and pursue the sustainable development of the Company
3. Mitigate environmental burdens (environmental risks) that occur as a result of business activities and strive to maintain a sustainable relationship between society and the Company



Human Capital / Diversity

- Develop human resources who can pursue customer satisfaction from a global perspective
- Create an environment that supports employees' desire to improve and develops their individual abilities
- Focus on developing next generation leaders

Climate Change

- Aim for carbon neutrality in FY2050 and set target for FY2030 (50% reduction compared to FY2021)
- From October 2023, the Engineering Center (Tsuzuki, Yokohama) will switch to electricity derived from virtually renewable energy.



Connect Beyond

Cautionary Notes Regarding this Document

The forward-looking projections in this document were developed based on information available at this time. Please note that the Company's actual future results may differ from those indicated in this document due to various factors that have direct and indirect impacts on the Company's results.

If any material changes are made, the Company will announce them at that time.

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Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Supplementary Materials

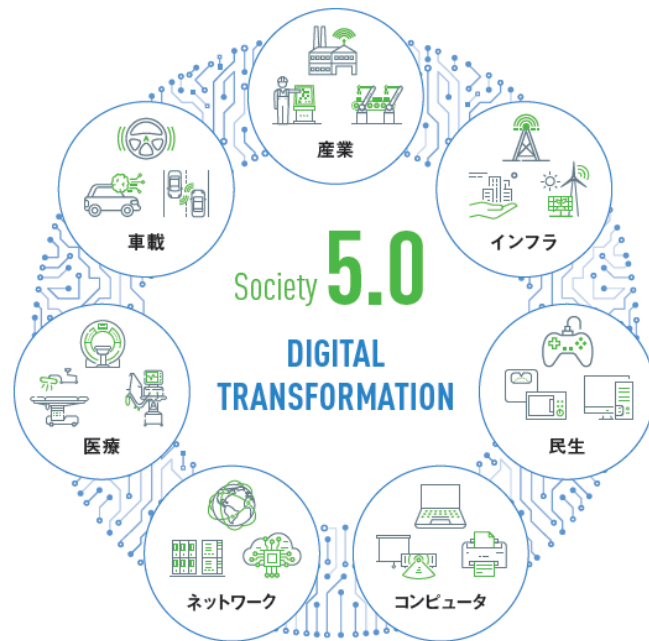
List of Supplementary Materials

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BUSINESS ENVIRONMENT

Society 5.0 to Arrive

Highly efficient smart society amid Slow Economic Growth



OUR MISSION

DRIVING DIGITAL TRANSFORMATION

Providing products and services that can achieve digital transformation, thus contributing to the sustainable development of a highly efficient smart society



To become a manufacturer with technology trading company functions

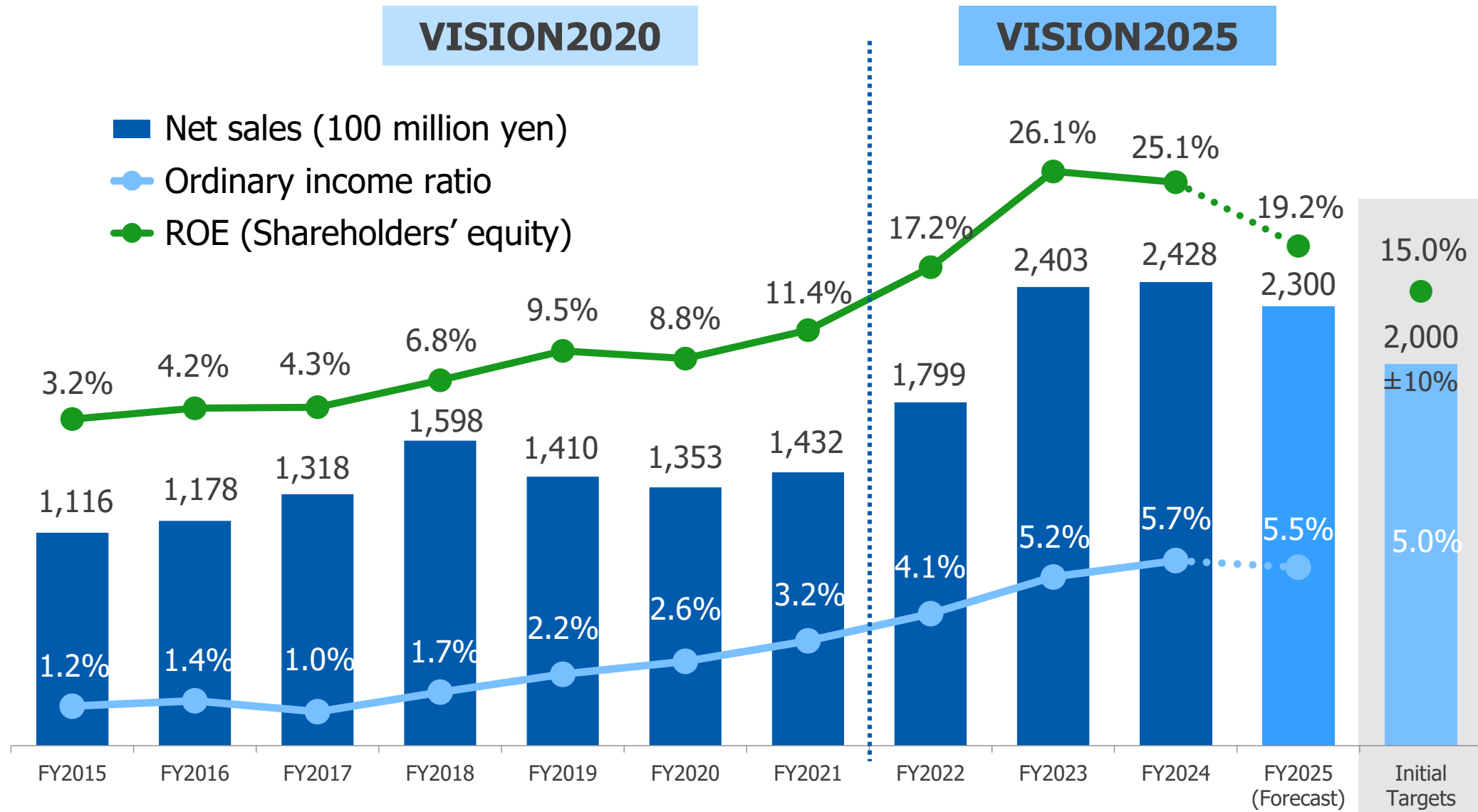
Evolving technology trading company functions

- Business model that will generate profits from data, service, and stock businesses
- Maintain and expand customer base that contributes toward growth of business as a manufacturer
- Build a base for stable income

The kind of manufacturer we want to be

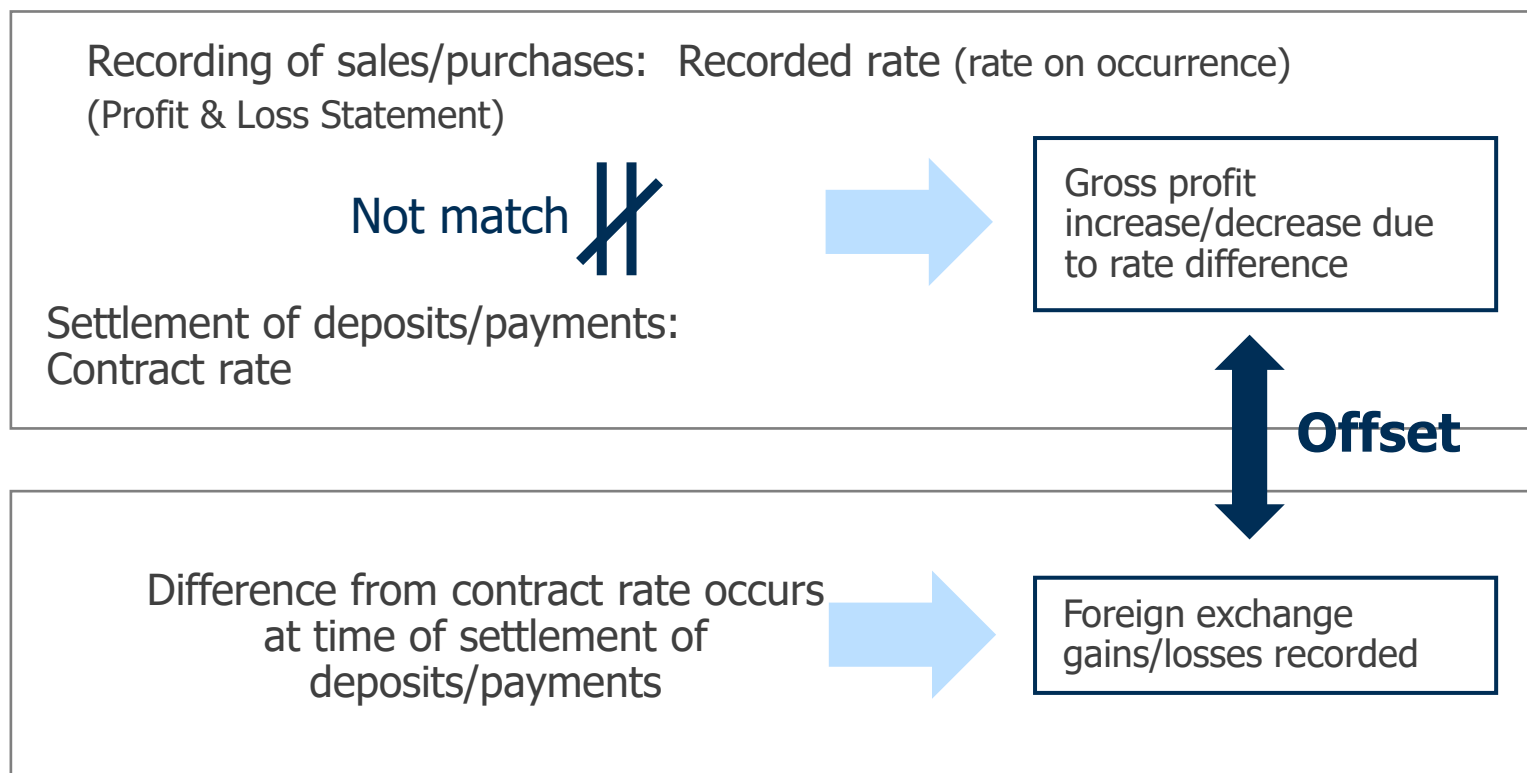
- Manufacturing system manufacturer
- Original design manufacturer (ODM)
- Design development division based on providing solutions to issue
- Highly efficient smart factories

Medium-Term Management Plan: Results and Plan

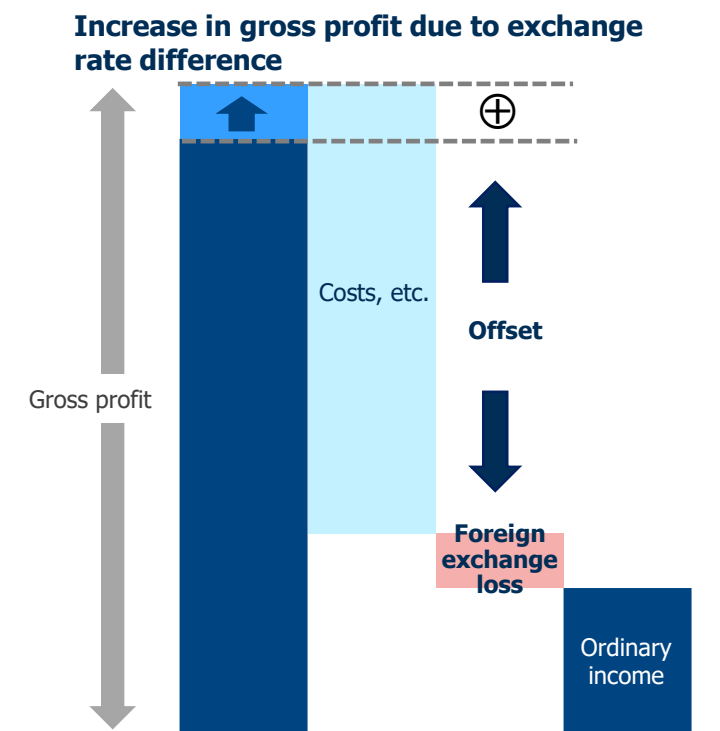


Foreign Exchange Losses

Forward exchange contracts are used to hedge foreign exchange risks



When yen weakening (image)



Impact of exchange rate fluctuations on ordinary income is minimal

* However, forward exchange contract losses, i.e. interest rate discount costs due to the difference between Japanese and U.S. interest rates, are recorded as foreign exchange losses.

Financial Highlight (1/2)

	FY 2022				FY 2023				FY 2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	41,009	41,770	45,112	52,014	50,677	61,091	64,127	64,453	59,012	60,685	60,049	63,140
CN Business	4,455	5,547	5,477	7,980	5,407	7,263	7,191	9,393	7,099	7,253	6,587	12,037
EC Business	36,554	36,223	39,634	44,034	45,270	53,828	56,935	55,059	51,912	53,431	53,462	51,102
Cost of sales	35,377	36,140	38,694	44,056	43,247	52,459	55,409	54,990	50,091	51,594	51,049	52,984
Gross profit	5,632	5,629	6,417	7,958	7,430	8,632	8,717	9,463	8,921	9,090	8,999	10,156
Profit rate	13.7%	13.5%	14.2%	15.3%	14.7%	14.1%	13.6%	14.7%	15.1%	15.0%	15.0%	16.1%
Selling, general and administrative expenses	4,173	4,332	4,441	4,560	4,472	5,016	4,881	5,645	5,292	5,565	5,292	5,588
Operating income	1,459	1,297	1,976	3,397	2,957	3,615	3,835	3,817	3,628	3,524	3,707	4,568
Profit rate	3.6%	3.1%	4.4%	6.5%	5.8%	5.9%	6.0%	5.9%	6.1%	5.8%	6.2%	7.2%
Non-operating income	57	79	24	27	39	120	35	72	69	116	164	64
Non-operating expenses	321	91	222	368	836	688	585	-94	554	530	408	427
Ordinary income	1,195	1,285	1,778	3,057	2,160	3,048	3,285	3,984	3,143	3,110	3,463	4,204
Profit rate	2.9%	3.1%	3.9%	5.9%	4.3%	5.0%	5.1%	6.2%	5.3%	5.1%	5.8%	6.7%
CN Business	386	532	320	995	381	522	131	984	579	683	712	1,487
EC Business	809	753	1,458	2,062	1,779	2,525	3,153	3,000	2,563	2,426	2,750	2,717
Extraordinary income	1,921	0	0	140	0	0	0	0	4	0	0	0
Extraordinary losses	0	114	3	1,351	0	2	0	6	0	1	32	4
Net income before income taxes	3,117	1,171	1,775	1,846	2,160	3,045	3,284	3,978	3,147	3,109	3,430	4,200
Profit rate	7.6%	2.8%	3.9%	3.5%	4.3%	5.0%	5.1%	6.2%	5.3%	5.1%	5.7%	6.7%
Net income	2,176	805	1,257	1,249	1,501	2,147	2,325	2,904	2,210	2,390	2,544	2,935
Profit rate	5.3%	1.9%	2.8%	2.4%	3.0%	3.5%	3.6%	4.5%	3.7%	3.9%	4.2%	4.6%
Net income attributable to owners of parent	1,851	794	1,249	1,189	1,479	2,104	2,316	2,876	2,186	2,364	2,519	2,915
Profit rate	4.5%	1.9%	2.8%	2.3%	2.9%	3.4%	3.6%	4.5%	3.7%	3.9%	4.2%	4.6%

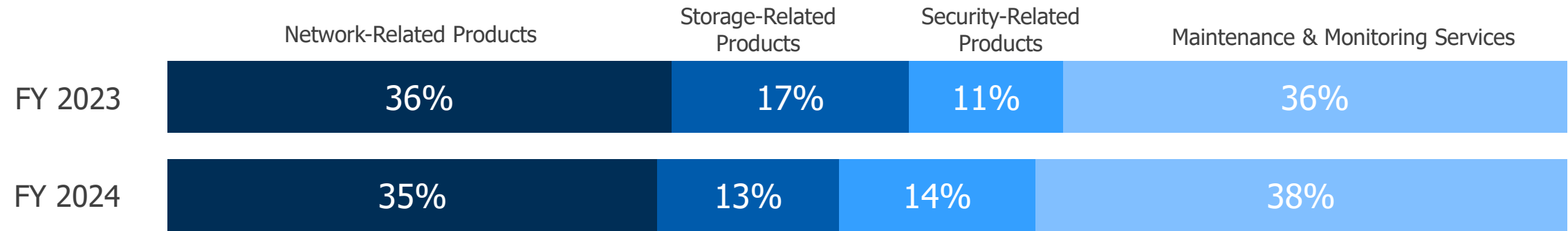
Financial Highlight (2/2)

(Million yen) 

	FY 2023													
	1Q		2Q		1 st Half		3Q		4Q		2 nd Half		Full Year	
		Change		Change		Change		Change		Change		Change		Change
Net sales	50,677	23.6%	61,091	46.3%	111,769	35.0%	64,127	42.1%	64,453	23.9%	128,580	32.4%	240,350	33.6%
CN Business	5,407	21.4%	7,263	30.9%	12,670	26.7%	7,191	31.3%	9,393	17.7%	16,584	23.2%	29,255	24.7%
EC Business	45,270	23.8%	53,828	48.6%	99,098	36.2%	56,935	43.7%	55,059	25.0%	111,995	33.9%	211,094	34.9%
Cost of sales	43,247	22.2%	52,459	45.2%	95,706	33.8%	55,409	43.2%	54,990	24.8%	110,399	33.4%	206,106	33.6%
Gross profit	7,430	31.9%	8,632	53.3%	16,062	42.6%	8,717	35.8%	9,463	18.9%	18,181	26.5%	34,243	33.6%
Selling, general and administrative expenses	4,472	7.2%	5,016	15.8%	9,489	11.6%	4,881	9.9%	5,645	23.8%	10,527	16.9%	20,016	14.3%
Operating income	2,957	102.6%	3,615	178.6%	6,573	138.4%	3,835	94.1%	3,817	12.4%	7,653	42.4%	14,227	75.0%
Ordinary income	2,160	80.7%	3,048	137.0%	5,208	109.9%	3,285	84.7%	3,984	30.3%	7,270	50.3%	12,478	70.5%
CN Business	381	-1.3%	522	-2.0%	903	-1.7%	131	-58.8%	984	-1.1%	1,116	-15.1%	2,019	-9.6%
EC Business	1,779	119.7%	2,525	235.3%	4,305	175.4%	3,153	116.3%	3,000	45.5%	6,153	74.8%	10,459	105.7%
Net income before income taxes	2,160	-30.7%	3,045	159.9%	5,206	21.4%	3,284	85.1%	3,978	115.5%	7,263	100.6%	12,469	57.6%
Net income	1,501	-31.0%	2,147	166.4%	3,648	22.3%	2,325	85.0%	2,904	132.5%	5,230	108.6%	8,879	61.7%
	FY 2024													
	1Q		2Q		1 st Half		3Q		4Q		2 nd Half		Full Year	
		Change		Change		Change		Change		Change		Change		Change
Net sales	59,012	16.4%	60,685	-0.7%	119,698	7.1%	60,049	-6.4%	63,140	-2.0%	123,190	-4.2%	242,888	1.1%
CN Business	7,099	31.3%	7,253	-0.1%	14,353	13.3%	6,587	-8.4%	12,037	28.2%	18,625	12.3%	32,978	12.7%
EC Business	51,912	14.7%	53,431	-0.7%	105,344	6.3%	53,462	-6.1%	51,102	-7.2%	104,565	-6.6%	209,909	-0.6%
Cost of sales	50,091	15.8%	51,594	-1.6%	101,686	6.2%	51,049	-7.9%	52,984	-3.6%	104,034	-5.8%	205,720	-0.2%
Gross profit	8,921	20.1%	9,090	5.3%	18,011	12.1%	8,999	3.2%	10,156	7.3%	19,156	5.4%	37,168	8.5%
Selling, general and administrative expenses	5,292	18.3%	5,565	11.0%	10,858	14.4%	5,292	8.4%	5,588	-1.0%	10,880	3.4%	21,739	8.6%
Operating income	3,628	22.7%	3,524	-2.5%	7,153	8.8%	3,707	-3.4%	4,568	19.7%	8,275	8.1%	15,428	8.4%
Ordinary income	3,143	45.5%	3,110	2.0%	6,253	20.1%	3,463	5.4%	4,204	5.5%	7,668	5.5%	13,922	11.6%
CN Business	579	52.1%	683	31.0%	1,263	39.9%	712	440.4%	1,487	51.1%	2,200	97.1%	3,463	71.5%
EC Business	2,563	44.1%	2,426	-3.9%	4,990	15.9%	2,750	-12.8%	2,717	-9.4%	5,468	-11.1%	10,459	-0.0%
Net income before income taxes	3,147	45.7%	3,109	2.1%	6,256	20.2%	3,430	4.4%	4,200	5.6%	7,631	5.1%	13,887	11.4%
Net income	2,210	47.3%	2,390	11.3%	4,601	26.1%	2,544	9.4%	2,935	1.1%	5,480	4.8%	10,081	13.5%
Net income attributable to owners of parent	2,186	47.8%	2,364	12.3%	4,551	27.0%	2,519	8.8%	2,915	1.4%	5,435	4.7%	9,986	13.8%

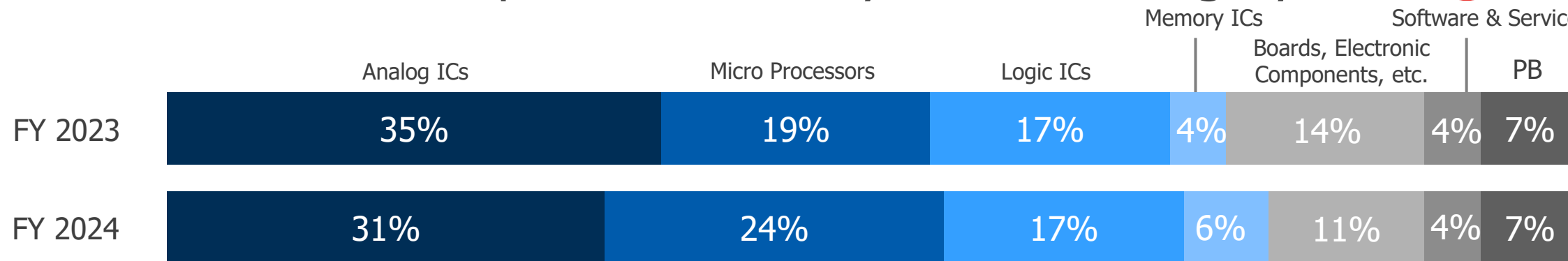
*Change : percentage change from the previous year

CN Business: Sales Component Ratios by Product Category



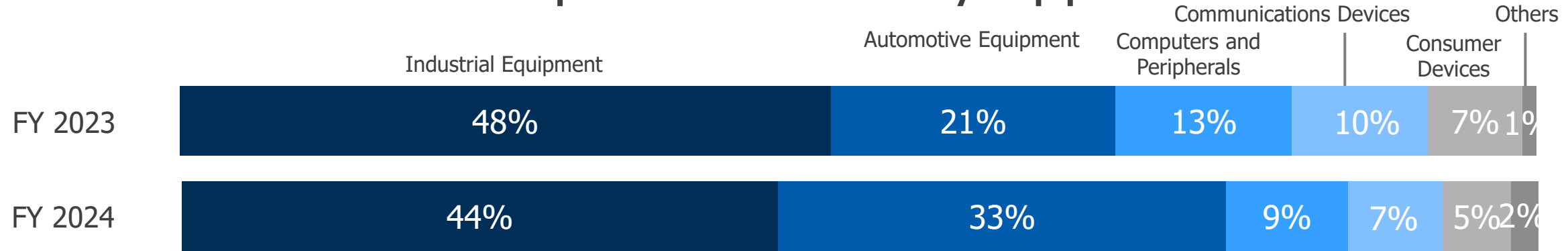
Product	Rate of Change	Main Causes	Main Suppliers
Network-related products	10.8%	Strong sales to data centers and cloud business operators Expansion of sales to enterprises	Arista Networks F5 Extreme Networks
Storage-related products	▲ 14.8%	Decreased sales due to absence of large flash storage orders on the scale of the previous period	Pure Storage Dell Technologies
Security-related products	43.4%	Strong sales of cloud security for system integrators	Netskope SentinelOne Dell Technologies
Maintenance & monitoring services	17.6%	Strong sales of maintenance services for network products for Sler & DC cloud business operators and storage products for telecommunications carriers	TED

EC Business: Sales Component Ratios by Product Category



Product	Rate of Change	Main Causes	Main Suppliers
Analog ICs	▲9.9%	Industrial equipment decreased due to the shift to direct manufacturer-to-consumer sales	TI / NXP
Micro processors	27.0%	Automotive equipment increased substantially due to expansion of commercial rights	NXP / Infineon / TI / Intel
Logic ICs	▲2.1%	Decreased for peripheral equipment for PCs due to the shift to direct manufacturer-to-consumer sales Increased for automotive equipment due to expansion of commercial rights	Infineon/ TI / NXP / Lattice / MaxLinear / Socionext / Realtek
Memory ICs	37.7%	Increased substantially for automotive equipment due to expansion of commercial rights	Infineon / Everspin Technologies
Boards, electronic components, etc.	▲21.7%	Decreased for communications devices and semiconductor manufacturing equipment	NXP / PFU / Western Digital / Hagiwara Solutions / ams-OSRAM
Software & services	▲6.8%	Embedded OS decreased	Microsoft / DELL / Trellic
PB	▲1.7%	FAST was weak; wafer inspection systems contributed	TED / TED Nagasaki / FAST

EC Business: Sales Component Ratios by Application



Application	Rate of Change	Main Uses	Sales Trends
Industrial equipment	▲9.3%	Medical and analyzing equipment, Semiconductor production equipment, FA equipment, Industrial robots, Fabricating equipment, Measuring equipment, Control systems, Electrical component mounting equipment, Inverters	Analog ICs decreased due to the shift to direct manufacturer-to-consumer sales Demand for FA and semiconductor manufacturing equipment decreased Processors and logic ICs increased due to expansion of commercial rights
Automotive equipment	58.5%	Car navigation systems, Automobile instruments, Advanced Driving Assistant systems, Displays, Automobile electronic control units (ECUs), Lithium ion batteries, Automobile inverters	Processors and memory ICs increased substantially due to expansion of commercial rights Analog ICs increased due to increased demand
Computers and peripherals	▲31.0%	Multifunctional printers, POS systems, Storage, Server, Projectors, PCs and peripheral devices	Applications were generally weak Analog ICs, processors and logic ICs decreased
Communications Devices	▲31.4%	5G base stations, Optical transmission equipment, Satellite communications equipment, Wireless IP network equipment	Electronic components for base stations and analog ICs for communications systems decreased
Consumer Devices	▲28.4%	Electronic musical instruments, Home gaming consoles, Digital cameras, Air conditioners, TVs and HDD recorders, Residential fuel cells	Analog ICs for gaming consoles decreased due to the shift to direct manufacturer-to-consumer sales

Product Categories

	Category	Main Products	Functions
CN Business	Network-related products	Network load distribution devices Ethernet switches	Distribute Internet connection loads Switching hubs
	Storage-related products	Flash storage	Connect to and store large volumes of data at high speed
	Security-related products	End points, networks, cloud	Protect computer systems, networks, data, etc. from attacks, damage, and unauthorized access
	Maintenance & monitoring services	Device maintenance services and security monitoring services	
EC Business	Analog ICs	Analog ICs	ICs used in common in various applications
	Micro processors	CPUs, DSPs	Brains of electronic devices, calculation and control functions
	Logic ICs	Image processing ICs Communications and network applications ICs ASIC, PLD	ICs with packaged logic circuits, special-purpose ICs made for particular applications, special ICs made according to customer specifications
	Memory ICs	SRAM, FRAM, MRAM Flash memory	Memory ICs, readable/writable memory products, read-only products
	Boards, electronic components, etc.	Boards, power supplies, optical components	ICs on printed circuit boards, power supplies, products with mounted connectors and other components (boards)
	Software & services	Software, cloud services	Software embedded in industrial equipment for enterprises Provision of subscription services
	PB	Design and mass production contract services, private brand products	Design, development and mass production of boards according to customer specifications Devices for manufacturing industries

Change in Balance of Orders Received

(million yen)

