

GENERATIONS AHEAD

Annual Report 2002

TOKYO ELECTRON

Profile

Established in 1963, Tokyo Electron (TEL) is a world-leading supplier of semiconductor production equipment (SPE) and related services for the semiconductor industry. The Company develops, manufactures and markets a broad lineup of products, including oxidation/diffusion/LP-CVD systems, single wafer CVD and PVD systems, coater/developers, spin-on dielectric (SOD) coaters, etch systems, cleaning systems, wafer probers, and others.

Tokyo Electron also uses its accumulated expertise in SPE to develop, manufacture and market coater/developers and etch/ash systems for the manufacture of Flat Panel Display (FPD). Most of the Company's semiconductor and FPD production systems hold the leading share in their respective markets.

Tokyo Electron also maintains a strong presence as a distributor, providing a wide array of semiconductor production systems, storage area network and Internet related products for broadband solutions, and electronic components in Japan from other leading suppliers. With a network spanning 16 countries on three continents, Tokyo Electron provides superior products and services to its customers, and superior returns to its shareholders.

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Disclaimer regarding Forward-looking Statements

Matters discussed in this annual report, including forecasts of future business performance of Tokyo Electron, management strategies, beliefs and other statements are based on the Company's assumption in light of information that is currently available. These forward-looking statements involve known or unknown risks, uncertainties and other factors that could cause actual results to differ materially from those referred to in the forward-looking statements.

Factors that have a direct or indirect impact on Tokyo Electron's future performance include, but are not limited to:

- Economic circumstances in Japan and overseas, consumption trends, and large fluctuations in foreign exchange rates
- Changes in semiconductor and FPD markets
- Changes in the demand for products and services manufactured or offered by Tokyo Electron's customers, such as semiconductor manufacturers, FPD manufacturers and electronic makers
- Tokyo Electron's capabilities to continue to develop and provide products and services that respond to rapid technology innovation and changing customer needs in a timely manner