

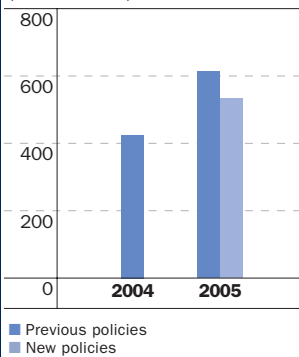
# TOKYO ELECTRON AT A GLANCE (BY BUSINESS)

COMPOSITION OF SALES  
FOR 2005  
(New policies)

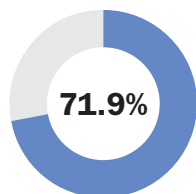
OVERVIEW OF 2005 AND BASIC STRATEGY

## INDUSTRIAL ELECTRONIC EQUIPMENT

(Billions of Yen)



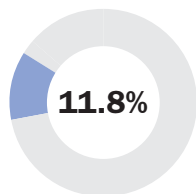
### SEMICONDUCTOR PRODUCTION EQUIPMENT



This division offers proprietary products and outstanding products sourced from other companies as well as related services to customers, all of which are closely matched to their needs. In fiscal 2005, Tokyo Electron received a steady stream of orders from manufacturers stemming from demand for system LSIs incorporated in digital consumer electronics and robust demand for memory. Together with the introduction of new products and other factors, this resulted in sales of ¥457.2 billion (based on newly adopted accounting policies).

As the market leader, Tokyo Electron will continue to develop equipment compatible with 65nm and finer design rule processes, as well as bring to market new products embracing new materials and technologies. Tokyo Electron will also continue to set itself apart through the provision of new value, such as by incorporating metrology technology in production equipment.

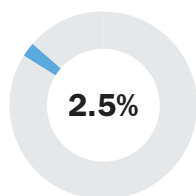
### FPD PRODUCTION EQUIPMENT



This business provides products and services drawing on the advanced technological capabilities acquired from the development of semiconductor production equipment. In fiscal 2005, orders were brisk as LCD panel manufacturers moved strategically to increase their supply capabilities to popularize and expand the market for flat-panel TVs. As a result, sales were ¥75.0 billion (based on newly adopted accounting policies).

FPD production equipment will be required to handle increasingly larger glass substrates. Tokyo Electron aims to enhance its market-leading position by working hand in hand with customers on the development of products with long-term growth prospects.

### COMPUTER NETWORK

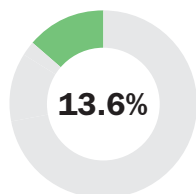
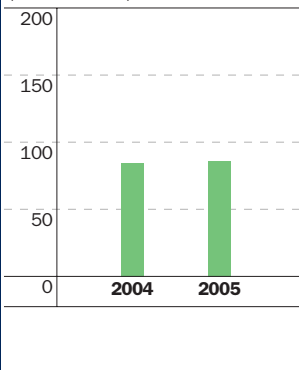


This business provides world-leading products and solutions for the broadband era, such as storage area network (SAN) and Internet-related solutions. In fiscal 2005, efforts were made to expand sales of SAN, network and broadband solutions. Sales were ¥16.0 billion. Sales fell 13.5% from the previous fiscal year.

Undeterred by this performance, the business will work to provide upgraded support services and expand sales of cutting-edge products offering high added-value.

## ELECTRONIC COMPONENTS

(Billions of Yen)



Operations in this business are the responsibility of consolidated subsidiary Tokyo Electron Device Limited. This company selects and offers the world's best products from leading suppliers to deliver total solutions for customers' needs. In fiscal 2005, the Electronic Components segment turned in sales of ¥86.2 billion on firm growth of semiconductor products for use in digital consumer electronics. Semiconductor products accounted for around 90% of segment sales. As a result, segment sales rose 2.4% from the previous fiscal year.

Tokyo Electron's goal is to become the leading technology trading company, trusted by customers and suppliers alike. Tokyo Electron's approach, as it strives to achieve this goal, will be to focus on providing thorough technical support for value-added products and to beef up development of own-brand products and contract design services.



Coater/Developer  
CLEAN TRACK™ LITHIUS™



Plasma Etch System  
Telius™

■ ORIGINAL PRODUCTS

- Coater/Developer
- Spin-on Dielectric Coater/EB Cure
- Mask Coater/Developer
- Plasma Etch System
- Thermal Processing System
- Single Wafer CVD System
- SPA Plasma Processing System
- Auto Wet Station
- Single Wafer Processor
- Wafer Scrubber System
- Wafer Prober
- Dicing Frame Prober
- Integrated Metrology
- ODP (Optical Digital Profilometry)

■ DISTRIBUTED PRODUCTS

- FIB/SEM System (FEI Company)
- Film Metrology Tool
- Yield Management Software (Yield Dynamics, Inc.)
- X-ray Diffraction Measurement Equipment (Bede Scientific Instruments Ltd.)
- Electron-Beam Defect Inspection System (Hermes Microvision Inc.)



FPD Coater/Developer  
CL1300



FPD Plasma Etch/Ash System  
IMPRESSIO

- FPD Coater/Developer
- FPD Plasma Etch/Ash System



Brocade Communications  
Systems, Inc.  
Fibre Channel Integrated  
Fabric Switch



F5 Networks, Inc.  
Local Traffic Manager

■ BUSINESS NETWORK SOLUTIONS

■ SAN SOLUTIONS

■ ENTERPRISE SECURITY SOLUTIONS

■ AEROSPACE PRODUCTS

Computer/Networks

- Advanced Digital Information Corporation (ADIC)
- ALAXALA Networks Corporation
- Brocade Communications Systems, Inc.
- CipherTrust, Inc.
- Data Domain, Inc.
- DataPower Technology, Inc.

- Emulex Corporation
- Extreme Networks, Inc.
- F5 Networks, Inc.
- GoAhead Software Inc.
- Hewlett-Packard Japan, Ltd.
- Hitachi, Ltd.
- Isilon Systems, Inc.
- Juniper Networks, Inc.
- McDATA Corporation
- Meru Networks, Inc.
- nCipher Corporation Ltd.
- NeoScale Systems, Inc.
- TimesTen Performance Software, Inc.
- VERITAS Software Corporation

Aerospace Products

- BAE SYSTEMS
- Conax Florida Corp.
- Scot Inc.
- H. Koch & Sons Corp.
- Irvine Aerospace Inc.
- ITT Aerospace Controls Corp.
- Pacific Cast Technologies
- DIT-MCO International Corp.
- McCormick Selph, Inc.
- Kontron Embedded Technology, Inc.
- Z Microsystems Inc.



Fujitsu Ltd.



Xilinx, Inc.

■ SEMICONDUCTOR PRODUCTS

■ BOARD COMPUTER PRODUCTS

■ SOFTWARE

■ OTHER ELECTRONIC COMPONENTS

- Advanced Micro Devices, Inc.
- Agilent Technologies, Inc.
- Ardence, Inc.
- Cavium Networks, Inc.
- ChaosWare Inc.
- Conexant Systems, Inc.
- Cosel Co., Ltd.
- Digital Electronics Corp.
- Entropic Communications, Inc.
- Emuzed, Inc.
- ERNI Elektroapparate GmbH
- Eudyna Devices Inc.

- Freescale Semiconductor, Inc.
- Fujifilm Microdevices Co., Ltd.
- Fujitsu Ltd.
- Fujitsu Media Devices Ltd.
- Infineon Technologies AG
- Integrated Device Technology, Inc.
- Intel Corp. (Dialogic Product)
- Intersil Corp.
- Kopin Corp.
- Legerity, Inc.
- Linear Technology Corp.
- Metrowerks, Inc.
- Microsoft Corp.
- 3M (Minnesota Mining and Manufacturing Co.)
- Motorola, Inc.
- ON Semiconductor Corp.

- PFU Ltd.
- Phoenix Technologies Ltd.
- Pixelworks, Inc.
- Portwell, Inc.
- Potentia Semiconductor Corp.
- Ramtron International Corp.
- SafeNet, Inc.
- Shinko Electric Industries Co., Ltd.
- Texas Instruments Inc.
- Tokyo Electron Device Ltd.
- Tundra Semiconductor Corp.
- Winchester Electronics
- Woodhead Industries, Inc.
- Xilinx, Inc.
- Zarlink Semiconductor Inc.

# TOKYO ELECTRON AT A GLANCE (BY GEOGRAPHIC REGION)

## COMPOSITION OF SALES FOR 2005 (New policies)

## SALES (Billions of Yen)

## OVERVIEW OF 2005

Region	Composition of Sales for 2005 (New policies)	Sales (Billions of Yen)	Overview of 2005									
<b>JAPAN</b>	36.6%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~260</td> <td>~260</td> </tr> <tr> <td>2005</td> <td>~250</td> <td>~250</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~260	~260	2005	~250	~250	The high level of sales in the previous fiscal year continued in fiscal 2005 thanks to active investment in logic products, system LSIs and memory for digital consumer electronics.
Year	Previous policies	New policies										
2004	~260	~260										
2005	~250	~250										
<b>U.S.</b>	9.9%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~70</td> <td>~70</td> </tr> <tr> <td>2005</td> <td>~100</td> <td>~80</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~70	~70	2005	~100	~80	Investments increased in MPU and other logic products, reflecting strategic investments by memory manufacturers and healthy demand for PCs.
Year	Previous policies	New policies										
2004	~70	~70										
2005	~100	~80										
<b>EUROPE</b>	4.9%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~50</td> <td>~50</td> </tr> <tr> <td>2005</td> <td>~60</td> <td>~50</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~50	~50	2005	~60	~50	Steady investments were made in logic devices for MPU, onboard automotive, communications and other applications.
Year	Previous policies	New policies										
2004	~50	~50										
2005	~60	~50										
<b>SOUTH KOREA</b>	13.4%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~80</td> <td>~80</td> </tr> <tr> <td>2005</td> <td>~110</td> <td>~110</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~80	~80	2005	~110	~110	Sales increased sharply, the result of large investments by memory and FPD manufacturers.
Year	Previous policies	New policies										
2004	~80	~80										
2005	~110	~110										
<b>TAIWAN</b>	22.2%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~120</td> <td>~120</td> </tr> <tr> <td>2005</td> <td>~200</td> <td>~160</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~120	~120	2005	~200	~160	Logic fabs and memory manufacturers made substantial investments. Capital expenditures for FPD manufacturing equipment, particularly for large substrates, were also brisk.
Year	Previous policies	New policies										
2004	~120	~120										
2005	~200	~160										
<b>CHINA AND SOUTHEAST ASIA</b>	13.0%	<table border="1"> <thead> <tr> <th>Year</th> <th>Previous policies</th> <th>New policies</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>~60</td> <td>~60</td> </tr> <tr> <td>2005</td> <td>~110</td> <td>~100</td> </tr> </tbody> </table>	Year	Previous policies	New policies	2004	~60	~60	2005	~110	~100	Supported by broad-based demand for devices, there was a large volume of investments by fabs.
Year	Previous policies	New policies										
2004	~60	~60										
2005	~110	~100										