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.

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.

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.

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.
**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.)

**BUSINESS NETWORK SOLUTIONS**
- Advanced Digital Information Corporation (ADIC)
- ALAXALA Networks Corporation
- Brocade Communications Systems, Inc.
- CipherTrust, Inc.
- Data Domain, Inc.
- CipherTrust, Inc.
- F5 Networks, Inc.
- GoAhead Software Inc.
- Hewlett-Packard Japan, Ltd.
- Hitachi, Ltd.
- Isilon Systems, Inc.
- Juniper Networks, Inc.
- Meru Networks, Inc.
- nCipher Corporation Ltd.
- NeoScale Systems, Inc.
- TimesTen Performance Software, Inc.
- VERITAS Software Corporation
- Extreme Networks, Inc.
- F5 Networks, Inc.
- GoAhead Software Inc.
- Hewlett-Packard Japan, Ltd.
- Hitachi, Ltd.
- Isilon Systems, Inc.
- Juniper Networks, Inc.
- 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.
- Irvin Aerospace Inc.
- ITT Aerospace Controls Corp.
- Pacific Cast Technologies
- DIT-MCO International Corp.
- McCormick Selph, Inc.
- Kontron Embedded Technology, Inc.
- Z Microsystems Inc.

**SEMICONDUCTOR PRODUCTS**
- 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.
- ETD Elektroapparate GmbH
- Eudyna Devices Inc.

**BOARD COMPUTER PRODUCTS**
- Fujitsu Ltd.
- Fujitsu Media Devices Ltd.
- Mitsubishi Heavy Industries, Ltd.

**SOFTWARE**
- Fujitsu Microdevices Co., Ltd.
- Fujitsu Ltd.
- Freescale Semiconductor, Inc.
- Infineon Technologies AG
- Integrated Device Technology, Inc.
- Intel Corp. (Dialogic Product)
- Intersil Corp.
- Kopin Corp.
- Legerity, Inc.
- Linear Technology Corp.
- Motorola, Inc.
- ON Semiconductor Corp.

**SOFTWARE**
- 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)

<table>
<thead>
<tr>
<th>Region</th>
<th>Composition of Sales for 2005 (New policies)</th>
<th>Sales (Billions of Yen)</th>
<th>Overview of 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Japan</strong></td>
<td><img src="chart" alt="36.6%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>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.</td>
</tr>
<tr>
<td><strong>U.S.</strong></td>
<td><img src="chart" alt="9.9%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>Investments increased in MPU and other logic products, reflecting strategic investments by memory manufacturers and healthy demand for PCs.</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td><img src="chart" alt="4.9%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>Steady investments were made in logic devices for MPU, onboard automotive, communications and other applications.</td>
</tr>
<tr>
<td><strong>South Korea</strong></td>
<td><img src="chart" alt="13.4%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>Sales increased sharply, the result of large investments by memory and FPD manufacturers.</td>
</tr>
<tr>
<td><strong>Taiwan</strong></td>
<td><img src="chart" alt="22.2%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>Logic fabs and memory manufacturers made substantial investments. Capital expenditures for FPD manufacturing equipment, particularly for large substrates, were also brisk.</td>
</tr>
<tr>
<td><strong>China and Southeast Asia</strong></td>
<td><img src="chart" alt="13.0%" /></td>
<td><img src="chart" alt="Sales Chart" /></td>
<td>Supported by broad-based demand for devices, there was a large volume of investments by fabs.</td>
</tr>
</tbody>
</table>