In fiscal 2009, the year ended March 31, 2009, Tokyo Electron posted net sales of ¥508.1 billion, operating income of ¥14.7 billion and net income of ¥7.5 billion. These results reflect the impact of the global recession, which caused customers to react simultaneously by significantly cutting their capital investment. From April 2009, we did begin to see signs of a recovery in orders, but the benefits of this recovery will not be fully apparent in terms of revenues until 2010 or later. We expect an extremely challenging operating environment during the year ending March 31, 2010.

With regard to dividends, the Company applies a policy that aims at a payout ratio of 20% of consolidated net income in principle, but under the circumstances, the Company decided to pay a reduced dividend of ¥24 per share, for a 56.9% payout ratio. We would like to ask for your continued understanding in this regard.

Amidst the present global recession, significant structural shifts are under way in the electronics industry, especially in information and communication technology (ICT)-related fields. That being the case, we believe that if we enact the necessary measures, Tokyo Electron has a strong chance of growth in the medium to long term. ICT has traditionally been developed in the U.S. and Europe, but going forward, it will expand to increasingly diverse locations, including China and other emerging economies, until the “networked society” extends across the entire globe. As the applications for ICT expand into such new fields as medical care, education, risk management, environmental action and transportation, better cost performance and greater speed are required.

At the same time, the need to shift economies to a sustainable model that ensures low energy consumption and minimal environmental impact is a pressing issue for the world as a whole. Tokyo Electron takes an active role, providing society with technologies that facilitate efforts to reduce electricity consumption, and promoting commercially viable technologies for photovoltaic cell production equipment, a field we entered last year. We believe these efforts are a powerful means of helping to resolve this issue. The scale of Tokyo Electron’s mission and responsibilities to society should not be underestimated.

Faced with the operating environment described above, it is now crucial for Tokyo Electron to develop technologies for the future and enhance our technological capabilities, while improving operational efficiency and reinforcing our business management. As one means of achieving this, we intend to use 2009 as an opportunity to step up our technological capabilities and business skills by requiring all our employees to participate in a variety of training programs.

Turning to Tokyo Electron’s management structure, in April 2009 we appointed a new generation of managers under a new president, and we will combine their strengths with those of the older generation as we uphold our unshakable faith in the future. Going forward, we intend to continue to enhance Tokyo Electron’s corporate value as an elite technological corporation.

I would like to thank all of our stakeholders for their continued support and their belief in Tokyo Electron’s potential for further growth.

Tetsuro Higashi, Chairman & CEO