

CONSOLIDATED FINANCIAL HIGHLIGHTS

FY1997

- Decline in semiconductor capital investment due to an oversupply of DRAM.

FY1998

- Commenced preparation for the 300mm era, completing the Process Technology Center (now Leading-edge Process Development Center) in Yamanashi Prefecture, Japan, to support equipment development for 300mm wafers.
- Asian economic crisis begins in second half of fiscal year.

FY1999

- Semiconductor manufacturers slash capital investment in response to the Asian economic crisis and another DRAM supply glut.
- Introduced corporate governance reforms that included reduction in the number of directors, establishment of a Compensation Committee, and separation of duties of directors and executive officers.

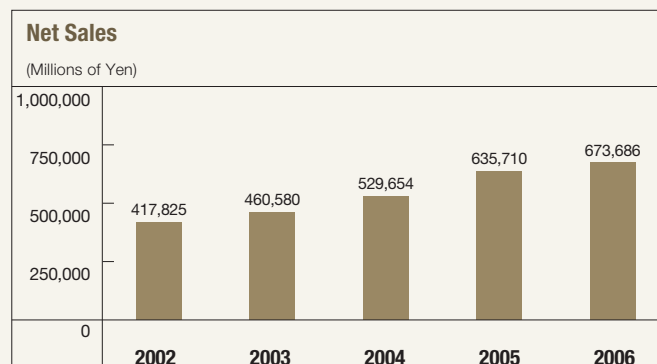
FY2000

- Semiconductor supply-demand balance improves as Asian economies recover. Capital investment in semiconductors picks up steam.

Years ended March 31

	1997	1998	1999	2000
For the Year:				
Net sales	¥432,785	¥455,585	¥313,820	¥440,729
Operating income (loss)	60,389	63,296	6,383	35,816
Income (loss) before income taxes	54,222	56,060	6,038	29,689
Net income (loss)	29,975	30,009	1,866	19,848
Depreciation and amortization	10,167	12,652	17,921	19,446
Capital expenditures	18,456	33,302	23,478	18,999
R&D expenses	20,988	26,813	26,842	37,135
At Year-end:				
Total assets	¥387,077	¥493,600	¥414,903	¥499,499
Total shareholders' equity	207,476	261,009	257,716	273,603
Per Share:				
Net income (loss) — Basic	¥ 181.97	¥ 174.68	¥ 10.70	¥ 113.53
Cash dividends	28.00	30.00	12.00	14.00
Number of employees	6,277	7,287	7,835	8,946

- Notes: 1. U.S. dollar amounts are translated from yen, solely for convenience, at the prevailing exchange rate on 31st March, 2006, of ¥117.47=U.S.\$1.
2. Per share amounts for fiscal 1997 were restated to reflect a 1.1-for-1 stock split.
3. Effective from fiscal 2005, the Company made certain changes in accounting policies as discussed in the notes to consolidated financial statements.



FY2001

- Tokyo Electron selected for inclusion in the Nikkei 225 index.
- Market entered a period of brisk IT investment.
- Expanded manufacturing capacity for 300mm equipment.
- Acquired Timbre Technologies, Inc., a U.S.-based firm with cutting-edge metrology software technology.
- Posted record net sales and net income.

FY2002

- IT bubble bursts triggering rapid market deterioration.
- Closures and consolidations of manufacturing facilities.

FY2003

- Booked ¥20.6 billion in restructuring-related expenses.
- Established Tokyo Electron (Shanghai) Limited to start direct operations in China.

FY2004

- Established TEL Technology Center, America, LLC (TTCA) in the U.S. to conduct research and development of advanced semiconductor materials and processes (to participate in the Albany NanoTech project, the R&D support program promoted by the New York State Government).

FY2005

- Cash flow improves significantly as restructuring initiatives start to yield benefits.
- Changed accounting policies as discussed in the notes to consolidated financial statements.

FY2006

- Business expanded, lifted by active investment in semiconductor memory production facilities.
- Revised dividend policy and reviewed the directors' remuneration system.
- Established Tokyo Electron Korea Solution Limited to strengthen post-sales business in South Korea.

Millions of yen

Thousands of U.S. dollars

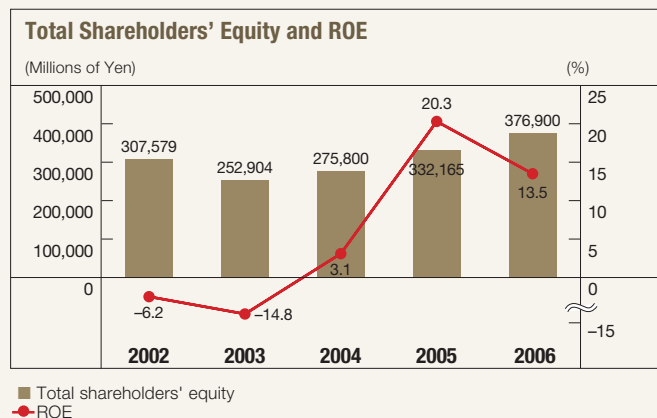
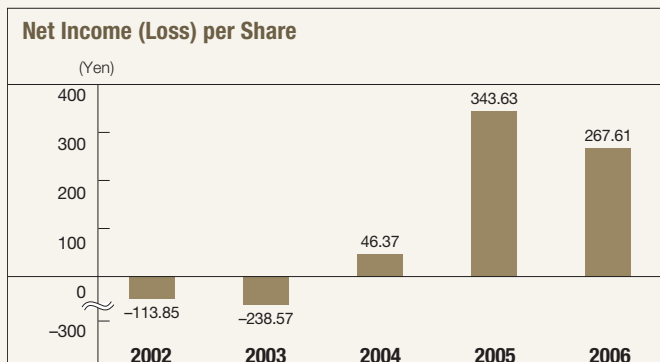
2001	2002	2003	2004	2005	2006	2006
¥723,880	¥417,825	¥460,580	¥529,654	¥635,710	¥673,686	\$5,734,965
121,086	(18,310)	1,119	22,280	63,983	75,703	644,446
99,132	(22,919)	(23,010)	14,936	55,775	75,328	641,256
62,012	(19,938)	(41,554)	8,297	61,601	48,006	408,663
21,679	26,294	27,374	24,963	21,463	19,170	163,191
49,403	30,946	12,359	11,007	9,876	13,335	113,517
52,911	53,827	50,123	44,150	43,889	49,182	418,673

¥729,511	¥556,915	¥524,901	¥561,632	¥644,320	¥663,243	\$5,646,063
333,281	307,579	252,904	275,800	332,165	376,900	3,208,480

Yen

U.S. dollars

¥ 353.76	¥ (113.85)	¥ (238.57)	¥ 46.37	¥ 343.63	¥ 267.61	\$ 2.28
38.00	8.00	8.00	10.00	45.00	55.00	0.47
10,236	10,171	10,053	8,870	8,864	8,901	



■ Total shareholders' equity
● ROE