

# Current Business Environment

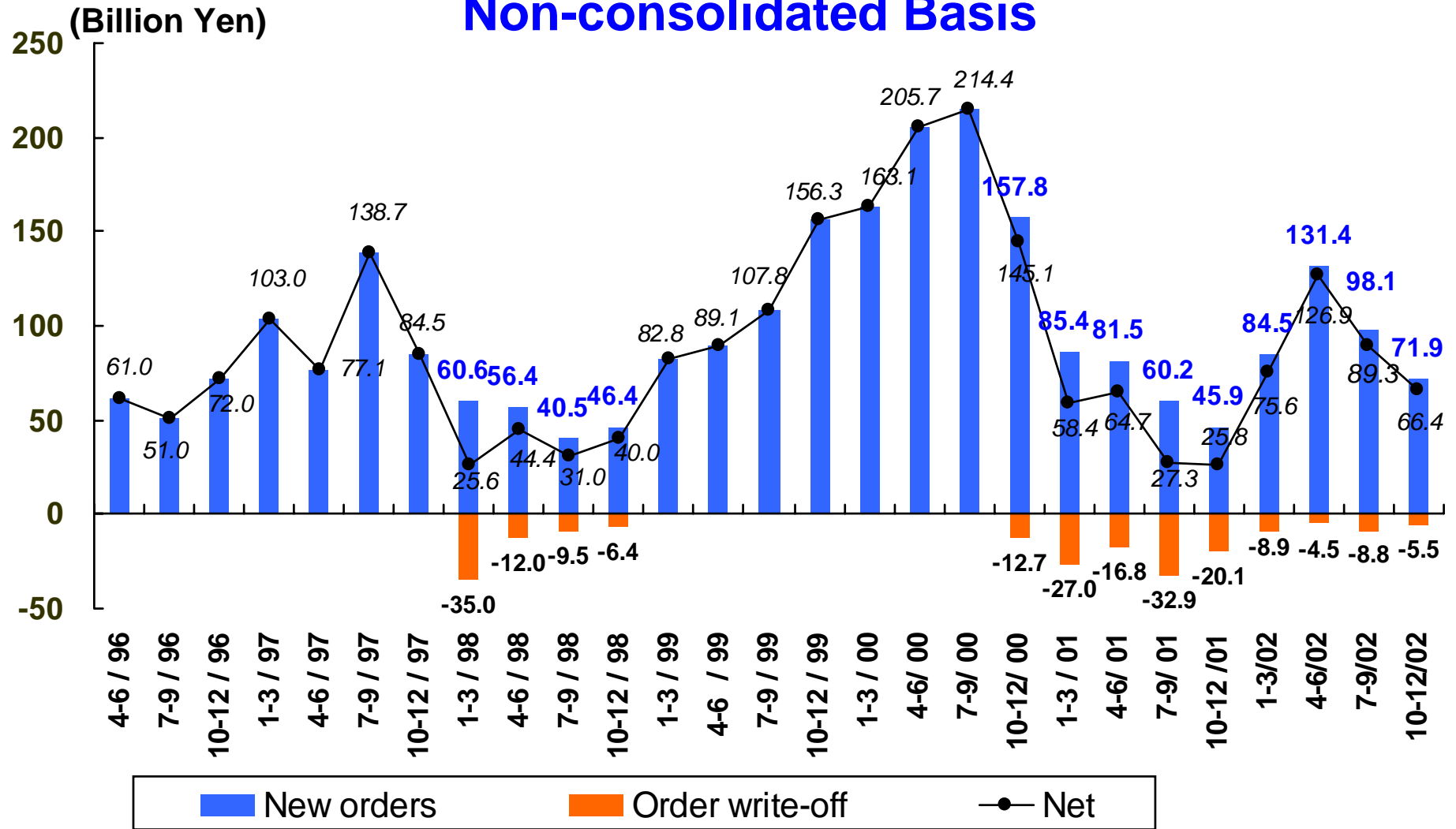
**Tetsuro Higashi, C.E.O., President**

**February 5, 2003**



# SPE Quarterly Order Trend

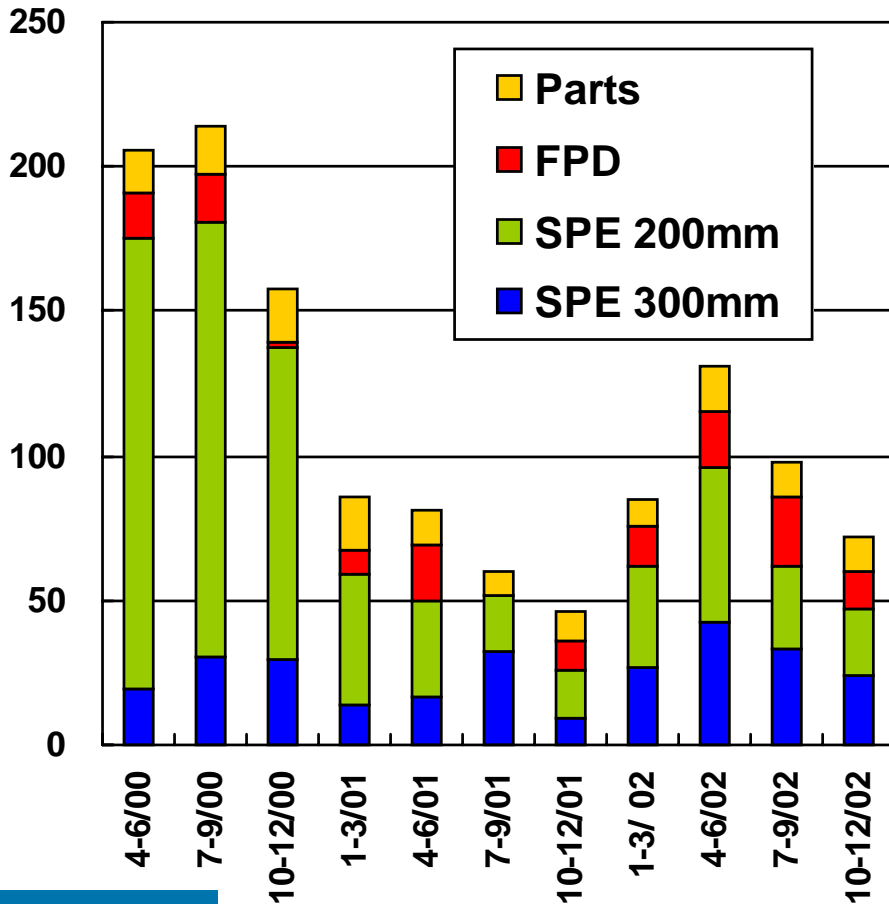
## Non-consolidated Basis



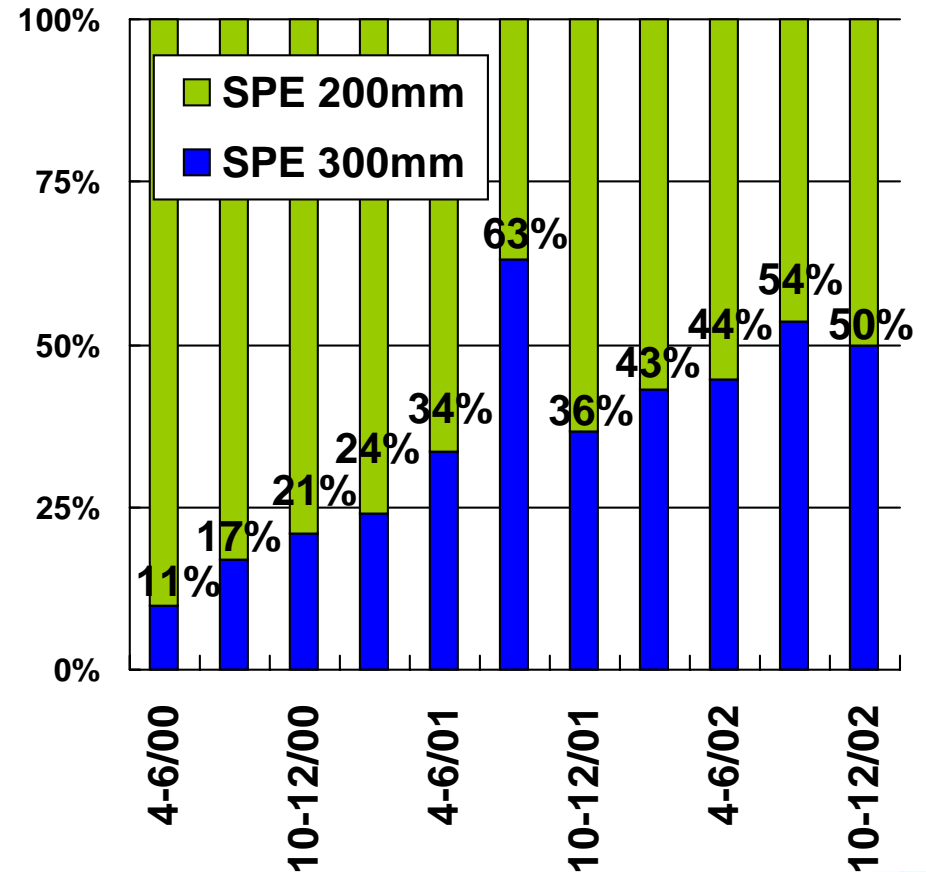
Orders for FPD production equipment are included.

# 200mm vs. 300mm (Bookings)

(Billion Yen)



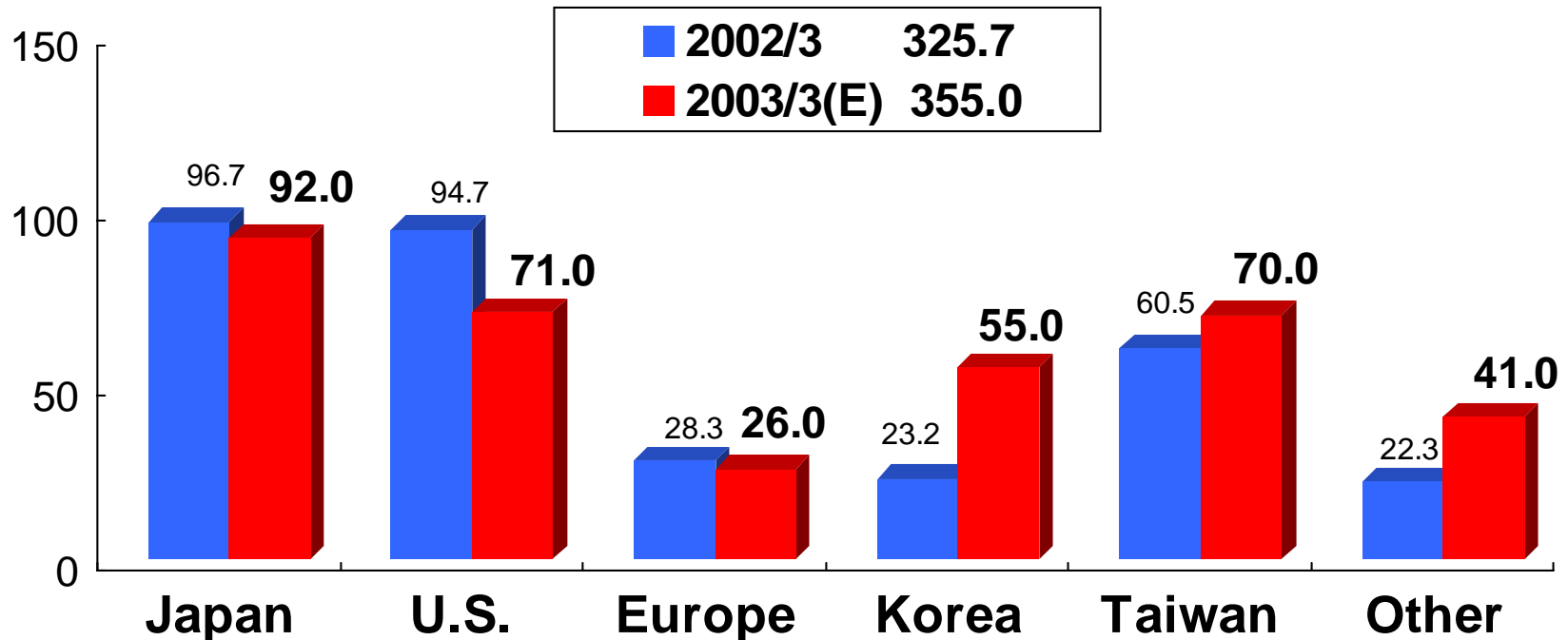
## 200mm vs. 300mm



# Projected SPE Sales by Region

Estimates for FY2003 regional breakdown are changed

(Billions of Yen)



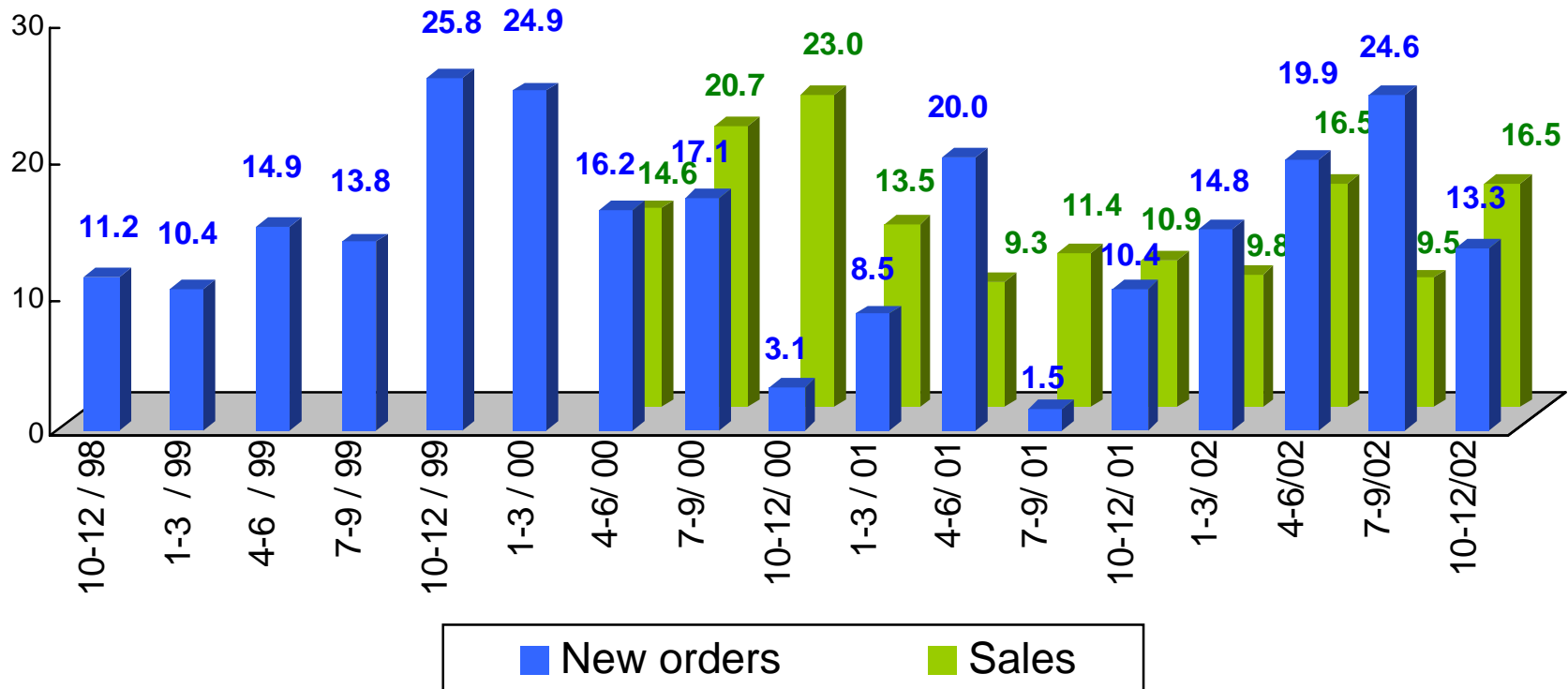
YoY Growth	- 5%	- 25%	- 8%	+137%	+16%	+84%
Composition	26%	20%	7%	15%	20%	12%



# FPD Production Equipment Quarterly Bookings and Sales

Non-consolidated Basis

(Billion Yen)



- Order amounts for and prior to 1-3/2000 period were for systems only.
- TEL began quarterly financial reporting from 4-6/2000 period.

# Market Overview

## Semiconductor / FPD Market

- Increase in demand for PC replacement
- Increase in demand for digital consumer and mobile related products
- Expansion of TFT-LCD market due to an increased demand for PC monitor and LCD-TV

## SPE Market

- Market recovery from summer
- Increase in investment: Korea, Japan and China  
Decrease in investment: U.S. and Taiwan
- Investment for 300mm equipment: a little over 50%

## FPD Production Equipment Market

Investment for 5<sup>th</sup> generation equipment and the next continuing





The projections outlined in this presentation were created based on the best information available at the time they were created. The semiconductor production equipment industry is characterized by large and rapid technological change and fierce competition. There are also various factors such as world economic conditions and semiconductor market conditions which directly and indirectly impact the Company's results. As a result, future projections may differ from those in this presentation. The Company makes announcements when the changes are large.

