

FY2003 Financial Summary and FY2004 Financial Estimates

FY2003: April 1, 2002 - March 31, 2003
FY2004: April 1, 2003 - March 31, 2004

April 30, 2003



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FY2003 Financial Summary

(April 1, 2002 – March 31, 2003)



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Consolidated Financial Results

(Billions of Yen)

	FY2002	FY2003			
		1H	2H	Full Year	Y/Y Change
Net Sales	417.8	223.4	237.2	460.6	+10.2%
Gross Profit	115.6	68.2	65.8	134.0	+16.0%
(SG&A Expenses)	133.9	67.7	65.2	132.9	- 0.7%
Operating Income	- 18.3	0.5	0.6	1.1	+19.4 bil. Yen
Ordinary Income	- 19.5	- 0.7	0.5	- 0.2	+19.2 bil. yen
I.B.I.T	- 22.9	-0.7	- 22.3	- 23.0	- 0.1 bil. yen
Net Income	- 19.9	-2.5	- 39.0	- 41.6	- 21.6 bil. yen
R&D Expenses	53.8	25.9	24.4	50.1	- 3.7 bil. yen
Capital Expenditures	30.9	4.6	7.8	12.4	- 18.5 bil. yen
Depreciation	26.3	13.4	14.0	27.4	+1.1 bil. yen

Consolidated subsidiaries: 28 Companies using equity method: 1



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FY2003 Financial Summary

FY2002 vs FY2003

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(Billions of Yen)

	FY2002	FY2003	YoY Change	Primary factors for change
Net Sales	417.8	460.6	+10.2%	SPE: +12.0%, CN: +0.9% EC: +5.1%, Other: -7.3%
Gross Profit	115.6 (27.7%)	134.0 (29.1%)	+16.0%	Increase in sales Decrease in fixed cost
(SG&A Expenses)	133.9	132.9	- 0.7%	R&D expenses: -3.7 bil. yen Retirement benefit expenses: +1.1 bil yen
Operating Income	- 18.3	1.1	+19.4 bil.yen	Increase in gross profit by 18.4 bil yen
Ordinary Income	- 19.5	- 0.2	+19.2 bil.yen	Ditto
Unusual Losses	- 3.4	-22.8	- 19.3 bil.yen	Inventory disposal of 10.0 bil. yen Allowance for restructuring (personnel expenses) of 7.8 bil. yen
I.B.I.T	- 22.9	- 23.0	-0.1 bil.yen	
Net Income	- 19.9	- 41.6	- 21.6 bil.yen	Write-off of deferred tax assets



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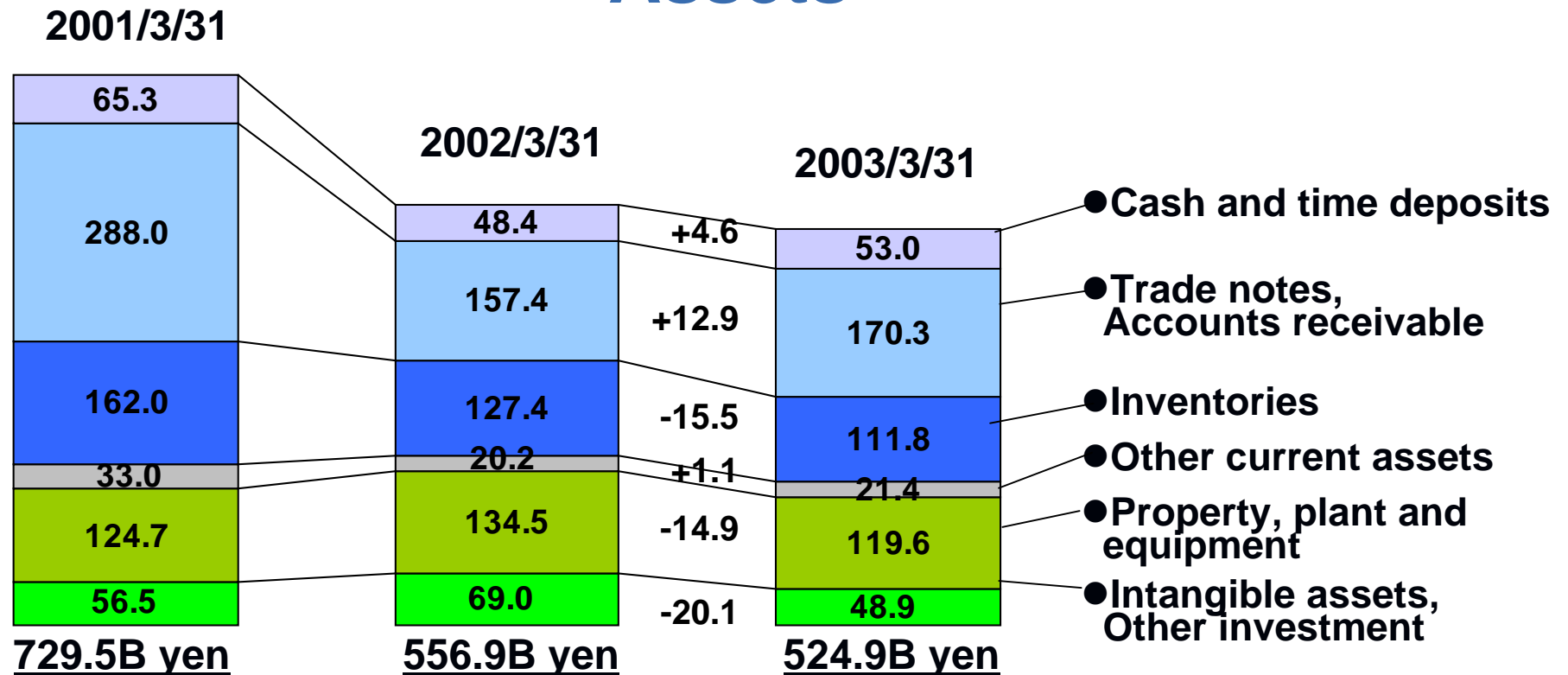
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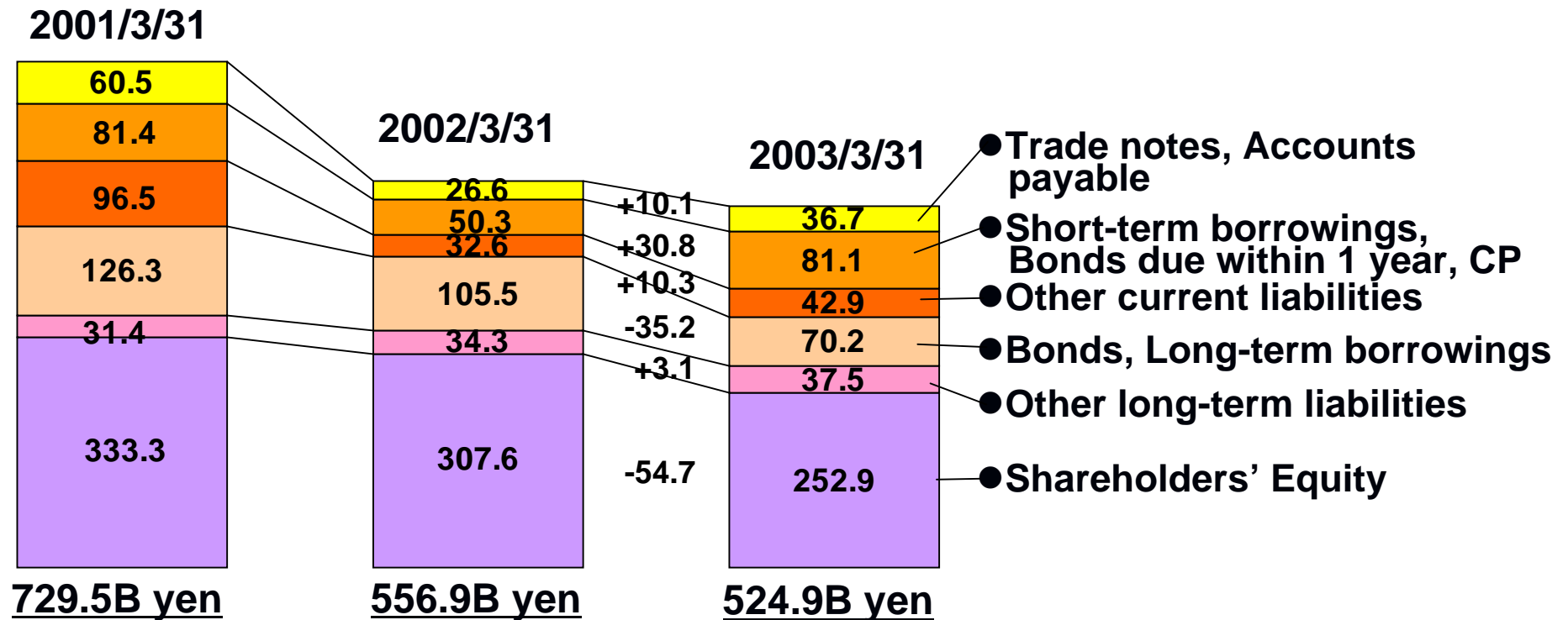
FY2003 Financial Summary

Assets



Trade notes, accounts receivable	+12.9	Due to increase in net sales
Inventories	-15.5	Due to revaluation and disposal
Property, plant and equipment	-14.9	Sale of TEL Oregon assets(-2.0), Losses on revaluation of TEL Texas building and others(-2.0)
Intangible assets, Investments & other assets	-20.1	Decrease in deferred income taxes(-13.2) Decrease in investment securities (-2.3)

Liabilities & Shareholders' Equity



Trade notes & accounts payable	+10.1	Due to increase in production
Short-term borrowings, CP & bonds due within 1 year	+30.8	Repayment of borrowings (-9.7), CP(+25.0), CB due within 1 year(+15.5 transferred from long-term)
Other current liabilities	+10.3	Provision for losses on restructuring (+8.6)
Bonds & long-term borrowings	-35.2	CB (-15.5 transferred to current liabilities) SB (-20.0 transferred to current liabilities)
Shareholders' equity	-54.7	Decrease in retained earnings (-42.7) Increase in treasury stocks (-8.2)

FY2003 Financial Summary

Cash Flow

(Billions of Yen)

3/2003**3/2002**

Cash & cash equivalents at begging of year		48.4	65.3
Operating activities	EBITDA*¹	12.1	0.5
	(Receivables+Inventories)-(Payables)	Δ 7.2	125.4
	Taxes paid	Δ 0.5	Δ 43.8
	Other	17.0	Δ 4.6
		21.4	77.5
Investing activities		Δ 7.3	Δ 35.8
Financing Activities	Bonds & debt	Δ 4.0	Δ 51.7
	Dividends paid & other	Δ 5.9	Δ 5.5
		Δ 9.9	Δ 57.2
Translation adjustments & others		0.3	Δ 1.4
Net decrease in cash & cash equivalents		4.6	Δ 16.9
Cash & cash equivalents at end of period		53.0	48.4

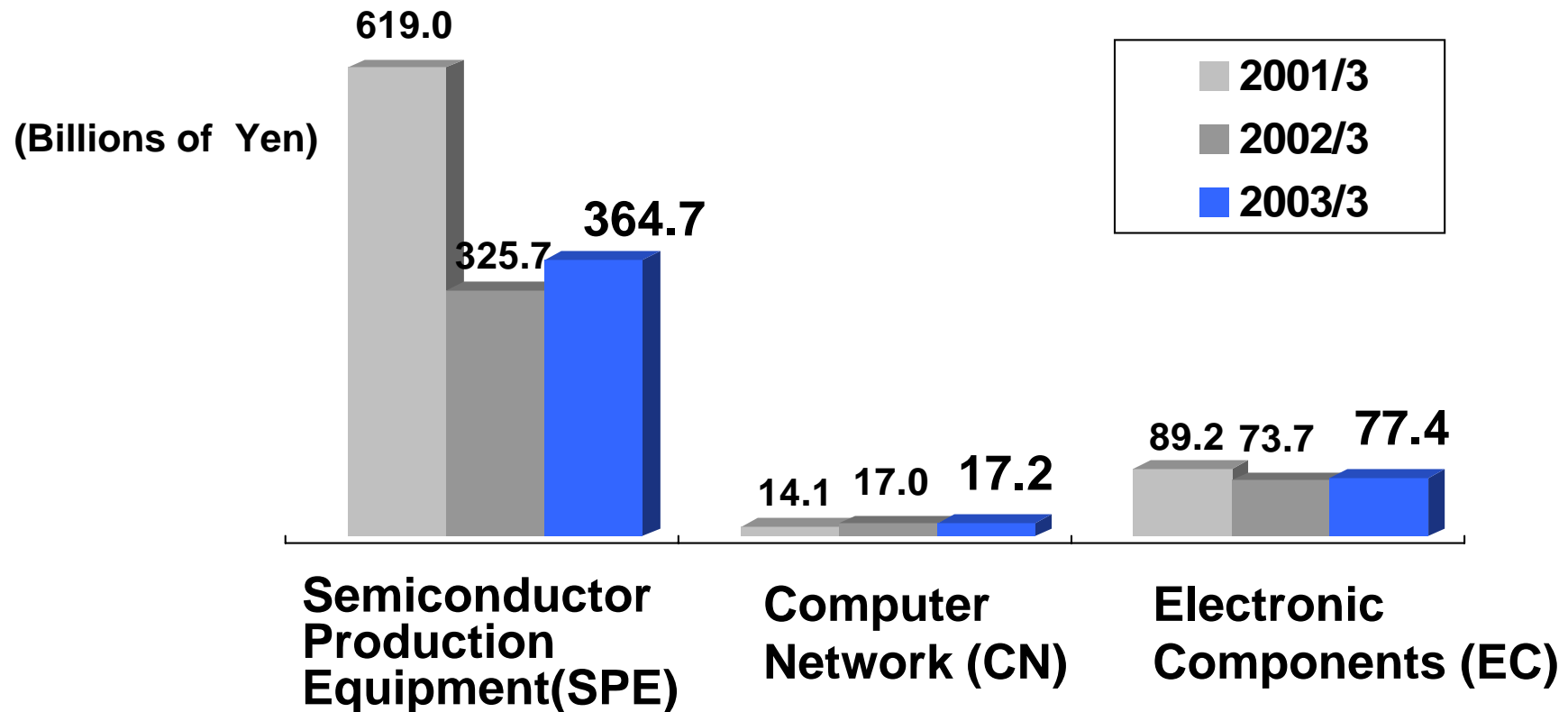
*¹ EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization


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FY2003 Financial Summary

Net Sales by Division



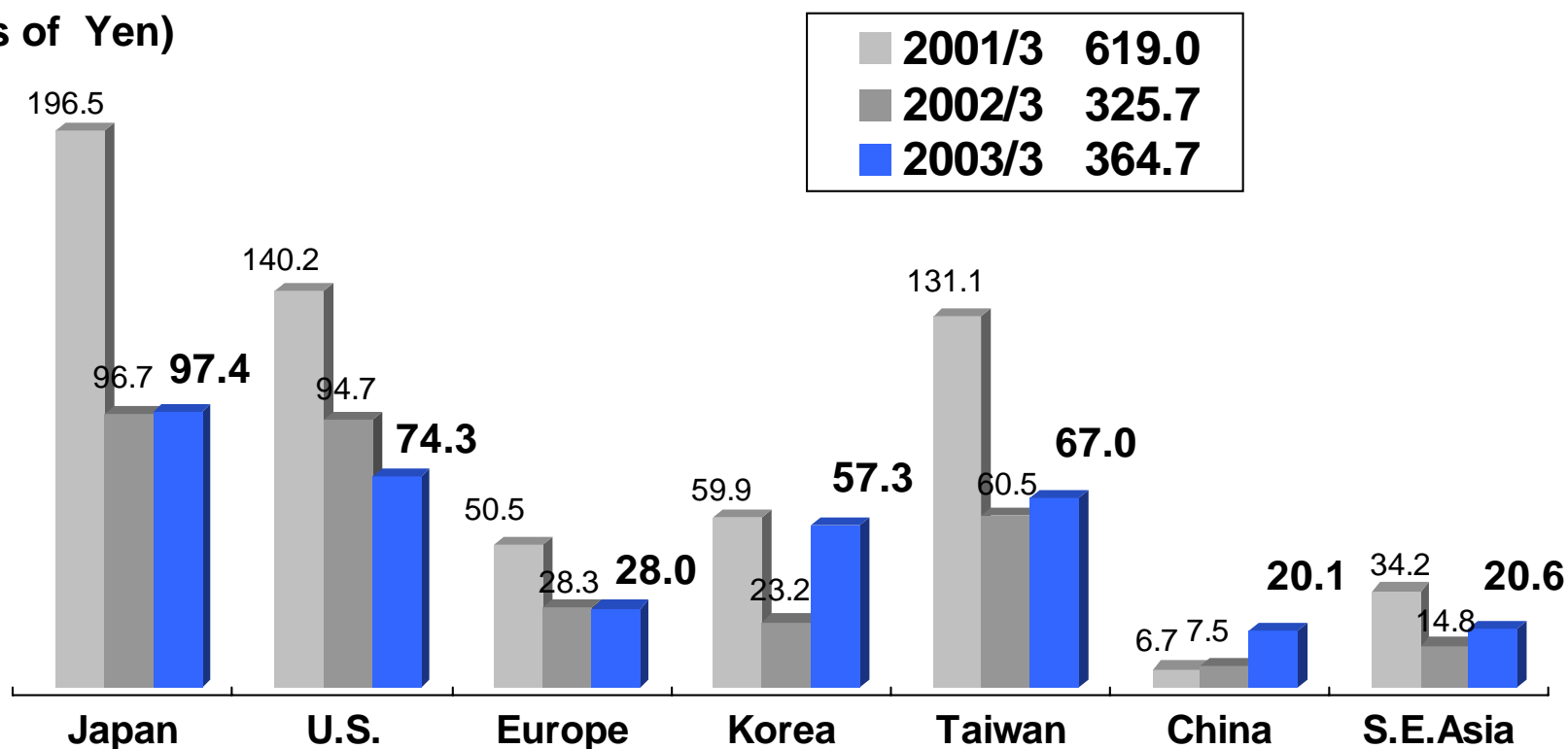
YOY Growth	+ 12%	+ 1%	+ 5%
Composition	79%	4%	17%



FY2003 Financial Summary

SPE Sales by Region

(Billions of Yen)

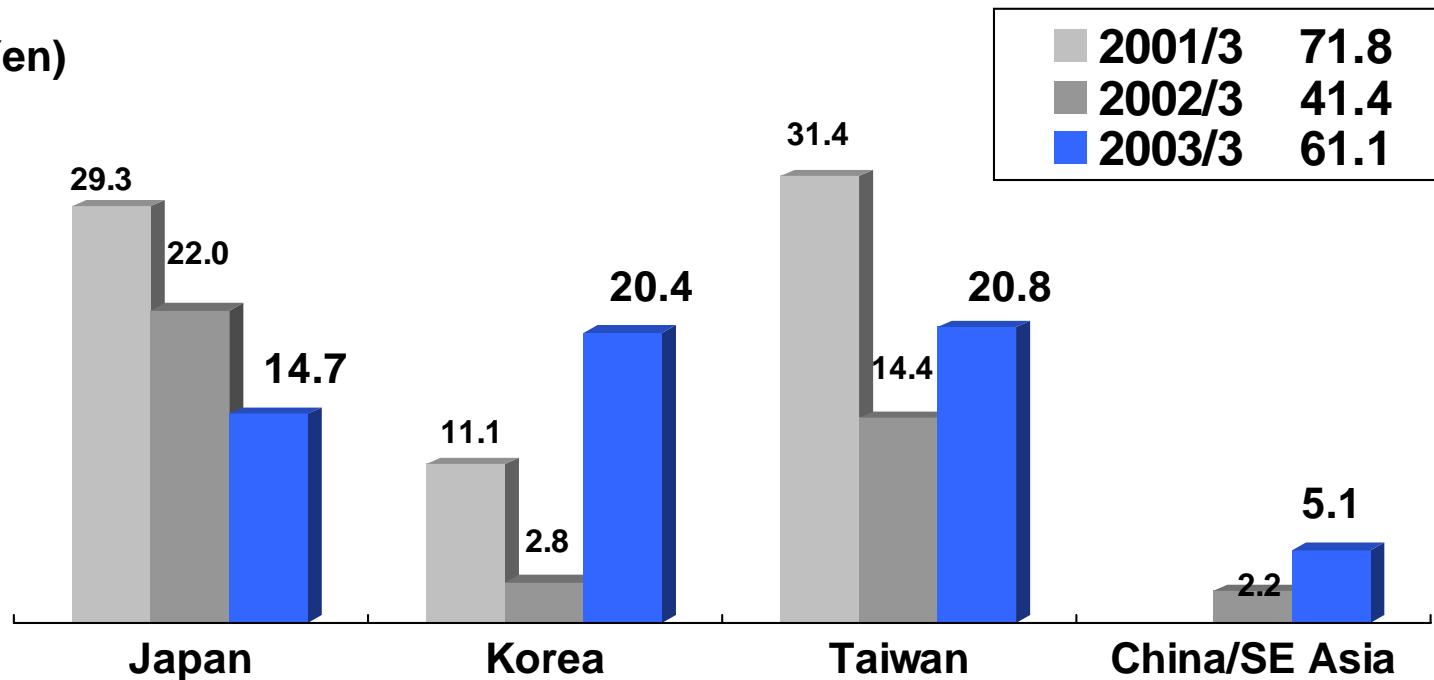


YOY Growth	+ 1%	- 22%	- 1%	+ 147%	+ 11%	+ 168%	+ 39%
Composition	27%	20%	8%	16%	18%	6%	6%

FPD Production Equipment Sales

Non-consolidated Basis

(Billions of Yen)



YOY Growth	- 33%	+ 629%	+ 44%	+ 132%
Comparison	24%	33%	34%	8%



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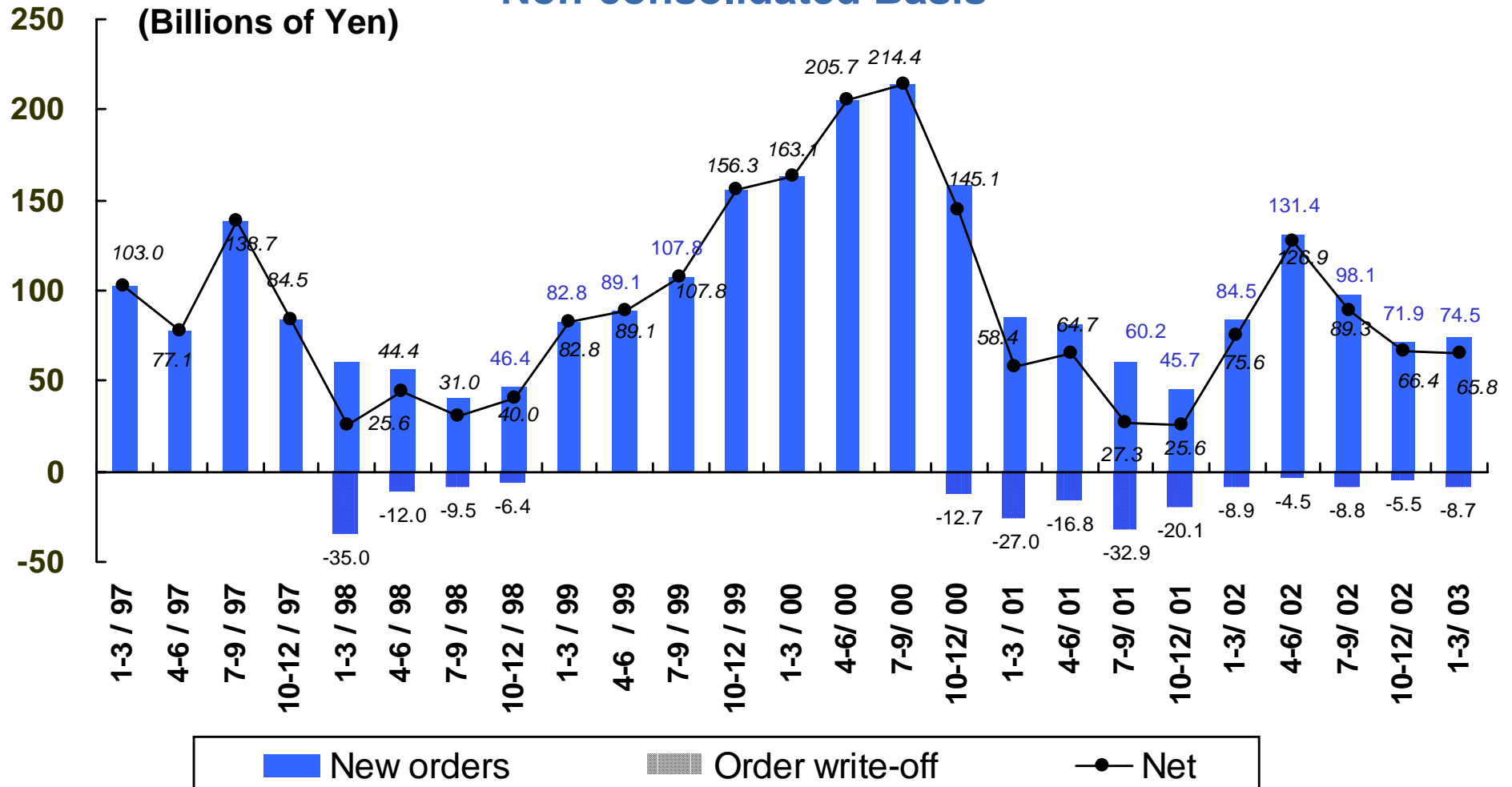
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SPE Quarterly Order Trend

Non-consolidated Basis



Orders for FPD production equipment are included.



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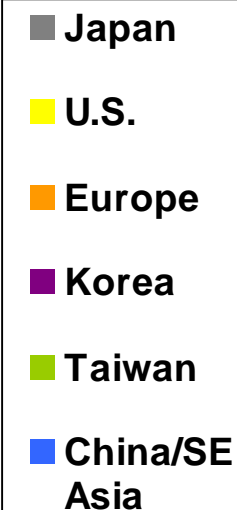
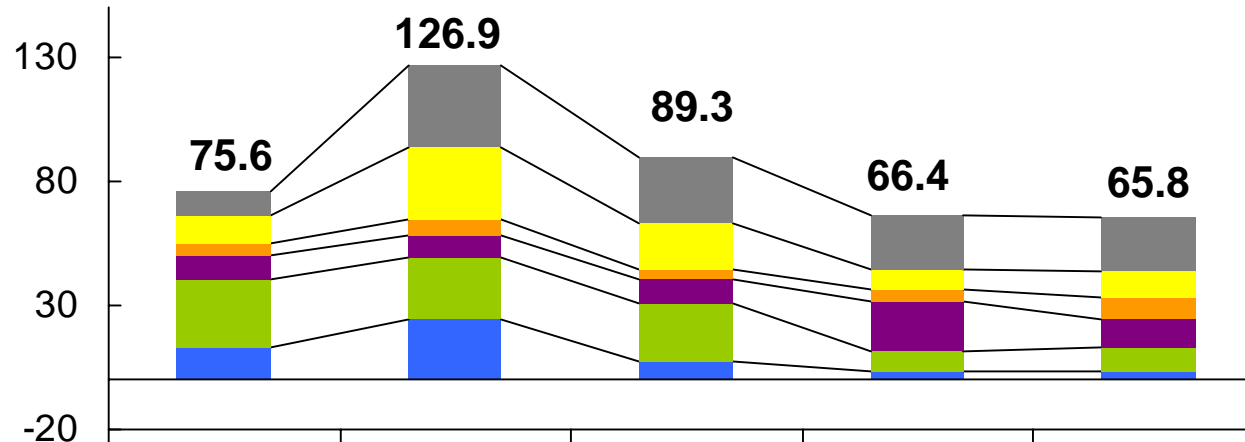


FY2003 Financial Summary

SPE Quarterly Orders by Region

Non-consolidated Basis

(Billions of Yen)



	2002/1-3 4Q	2002/4-6 FY03/1Q	2002/7-9 2Q	2002/10-12 3Q	2003/1-3 4Q
■ Japan	9.3	33.3	26.3	21.5	22.5
■ U.S.	11.8	29.3	18.3	8.4	10.1
■ Europe	4.4	6.4	4.4	5.0	8.7
■ Korea	10.2	9.0	9.8	19.9	11.8
■ Taiwan	27.0	24.2	22.8	8.3	9.3
■ China/SE Asia	13.1	24.7	7.7	3.2	3.4



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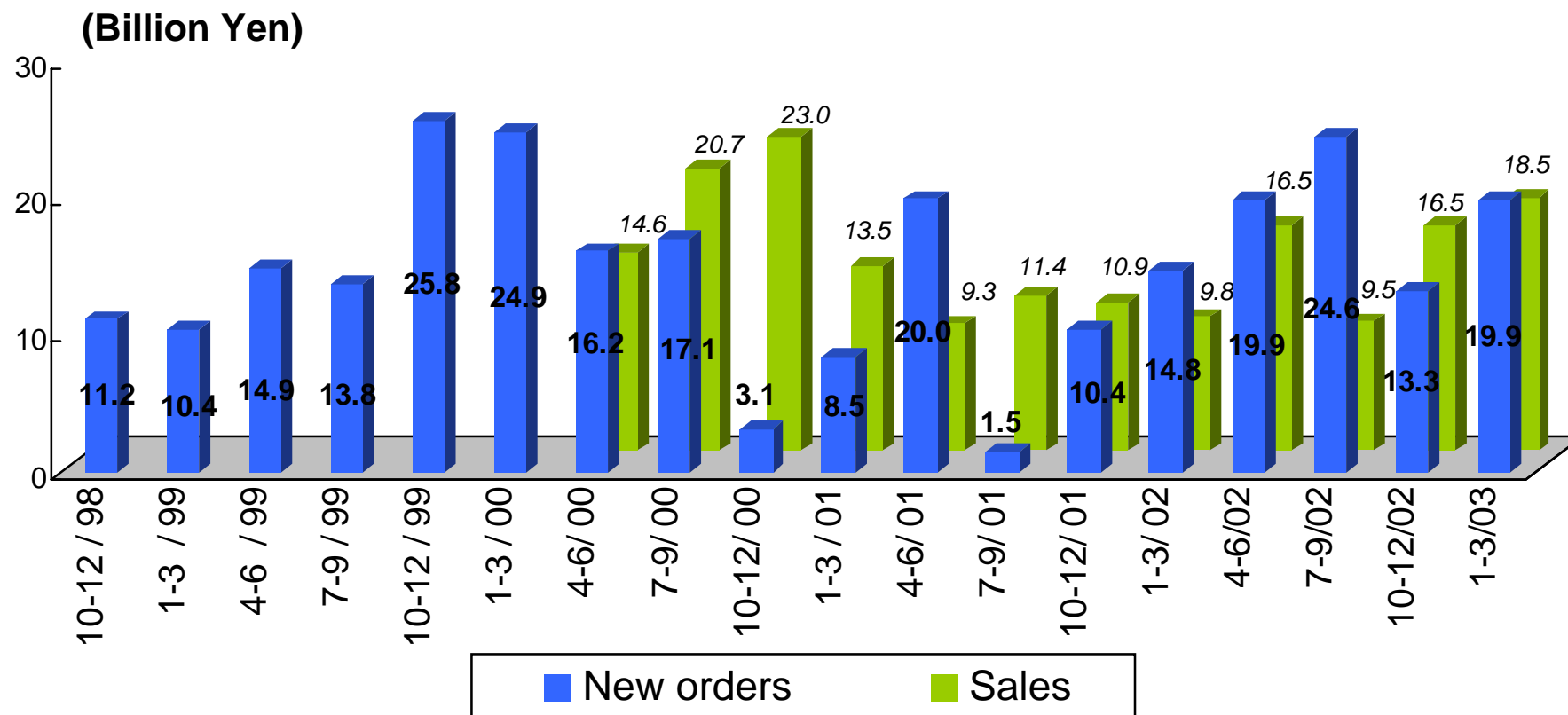


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FY2003 Financial Summary

FPE Production Equipment Quarterly Orders by Region

Non-consolidated Basis



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

FY2004 Financial Estimates

(April 1, 2003 – March 31, 2004)



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FY2004 Financial Estimates

Consolidated Financial Forecast

(Billions of Yen)

	FY2003	FY2004 (E)			Y/Y Change
		1H (E)	2H (E)	Full Year (E)	
Net Sales	460.6	209.0	256.0	465.0	+1%
Operating Income	1.1	-12.5	18.5	6.0	+4.9 bil.yen
Ordinary Income	- 0.2	-13.0	18.0	5.0	+5.2 bil.yen
I.B.I.T.	- 23.0	-15.0	18.0	3.0	+26.0 bil.yen
Net Income	- 41.6	-17.5	11.5	-6.0	+35.6 bil.yen



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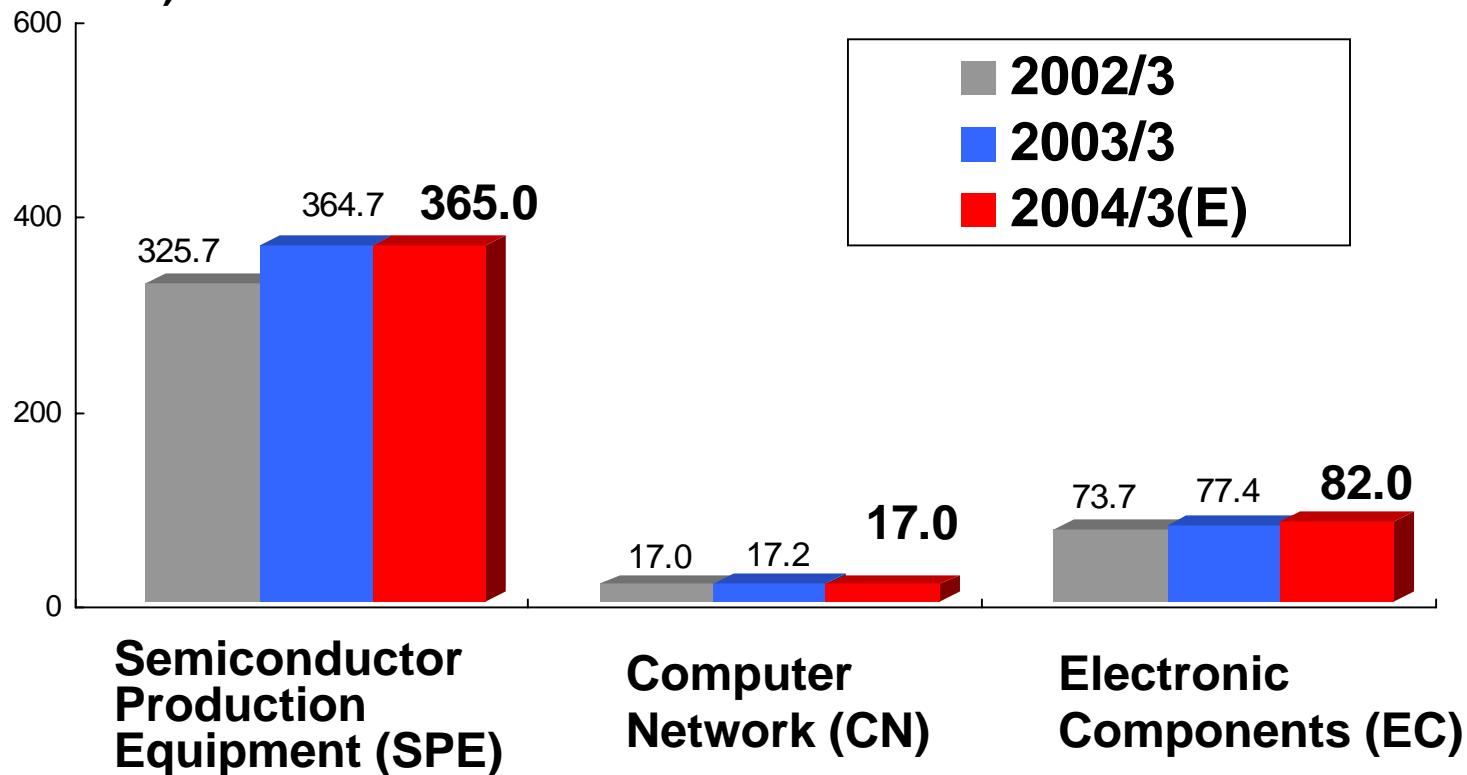
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Projected Net Sales by Division

(Billions of Yen)



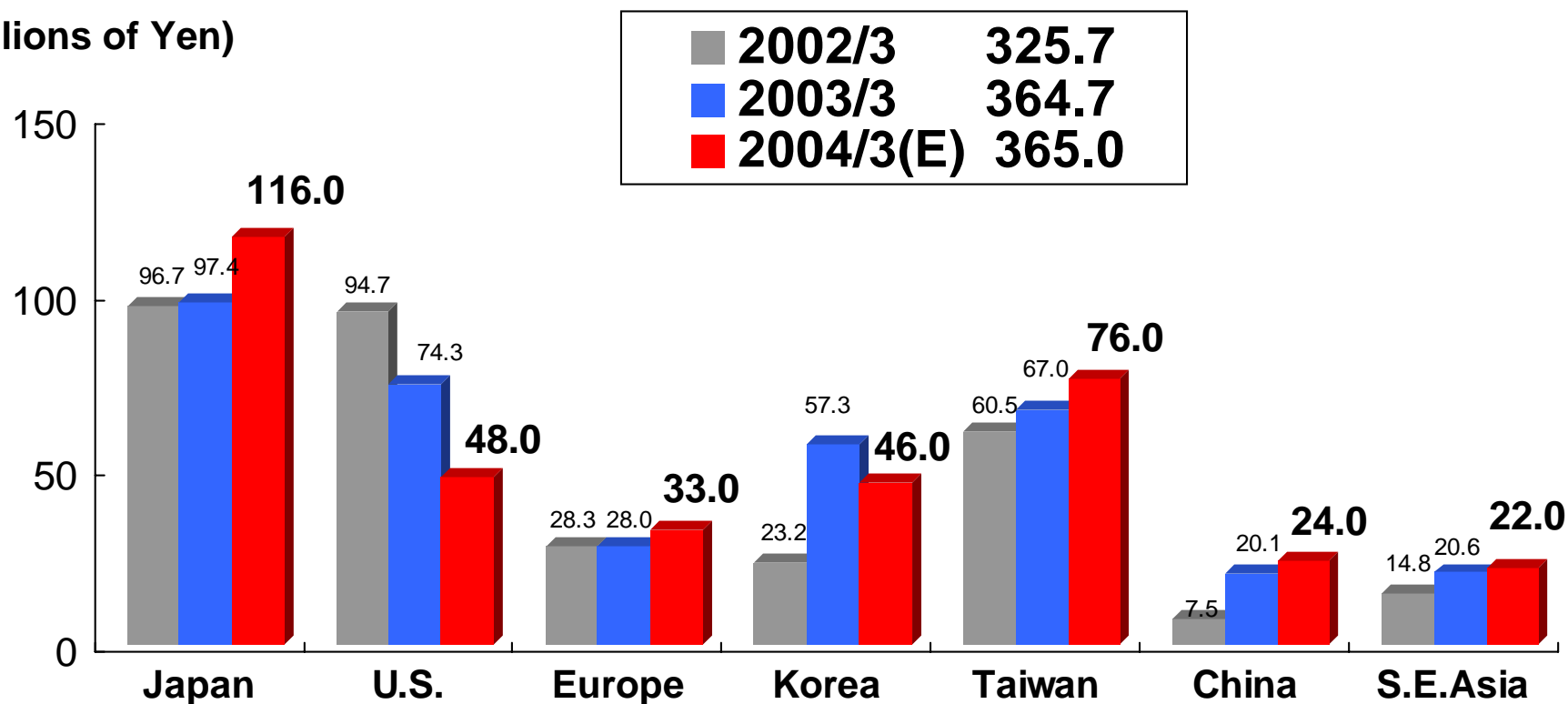
YoY Growth	0%	- 1%	+ 6%
Composition	78 %	4%	18%



FY2004 Financial Estimates

Projected SPE Sales by Region

(Billions of Yen)



YoY Growth	+ 19%	- 35%	+ 18%	- 20%	+ 13%	+ 19%	+ 7%
Composition	32%	13%	9%	13%	21%	7%	6%



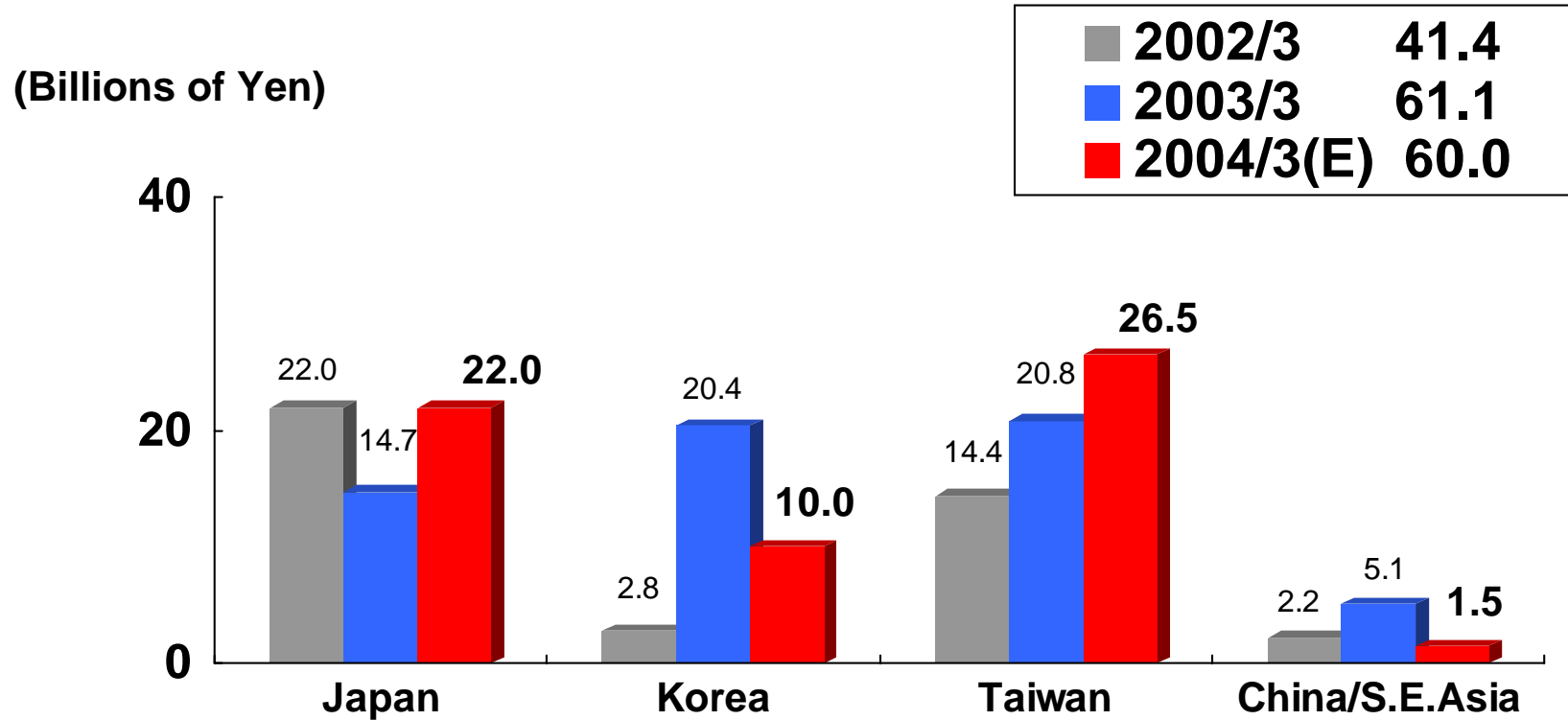
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Projected FPD Production Equipment Sales Non-consolidated



YOY Growth	+ 50%	- 51%	+ 29%	- 71%
Composition	37%	17%	44%	2%



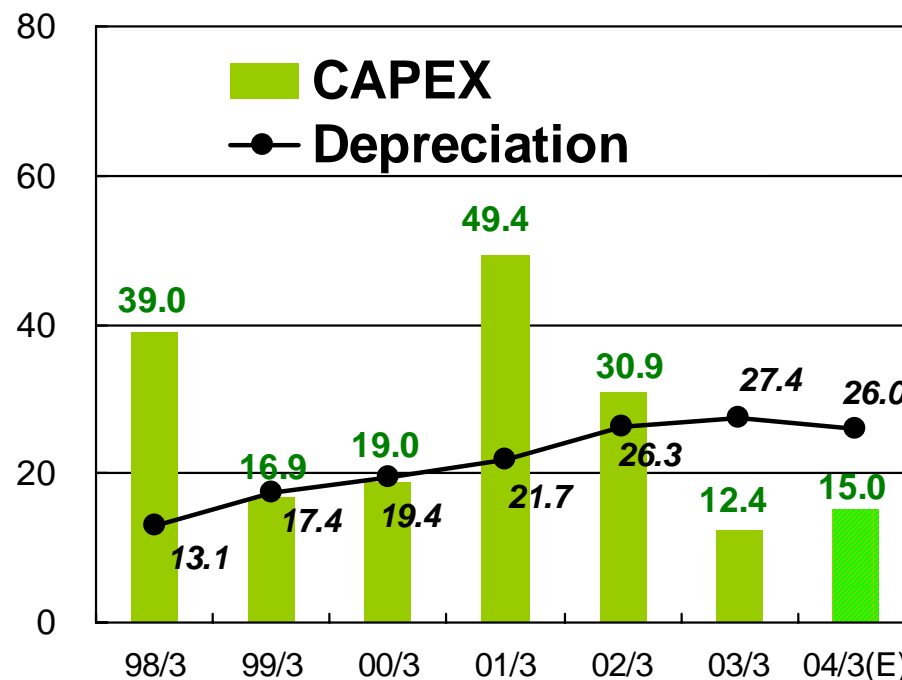
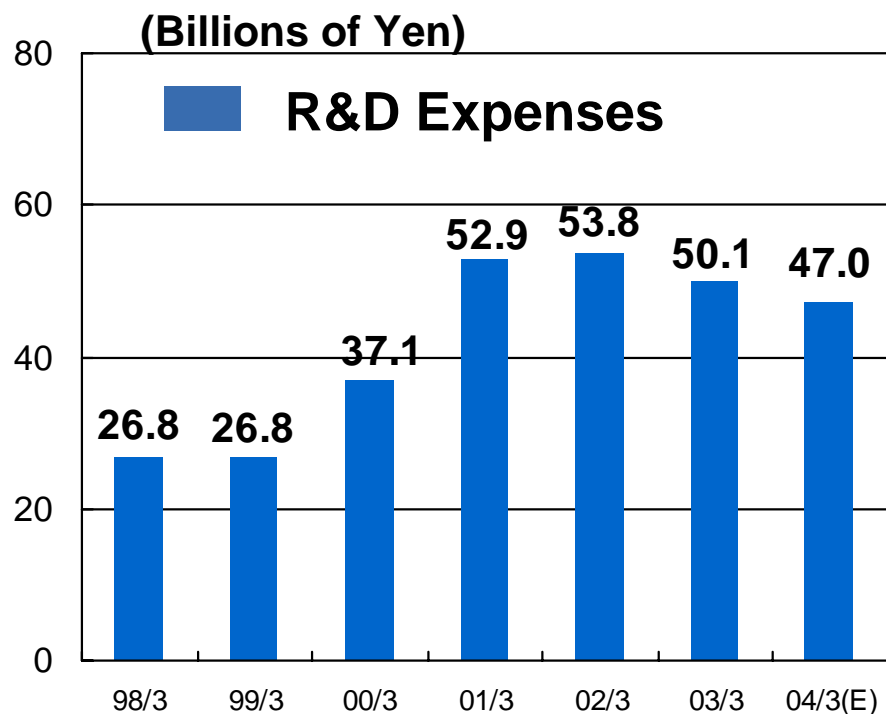
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FY2004 Financial Estimates

Projected R&D Expenses and Capital Expenditures

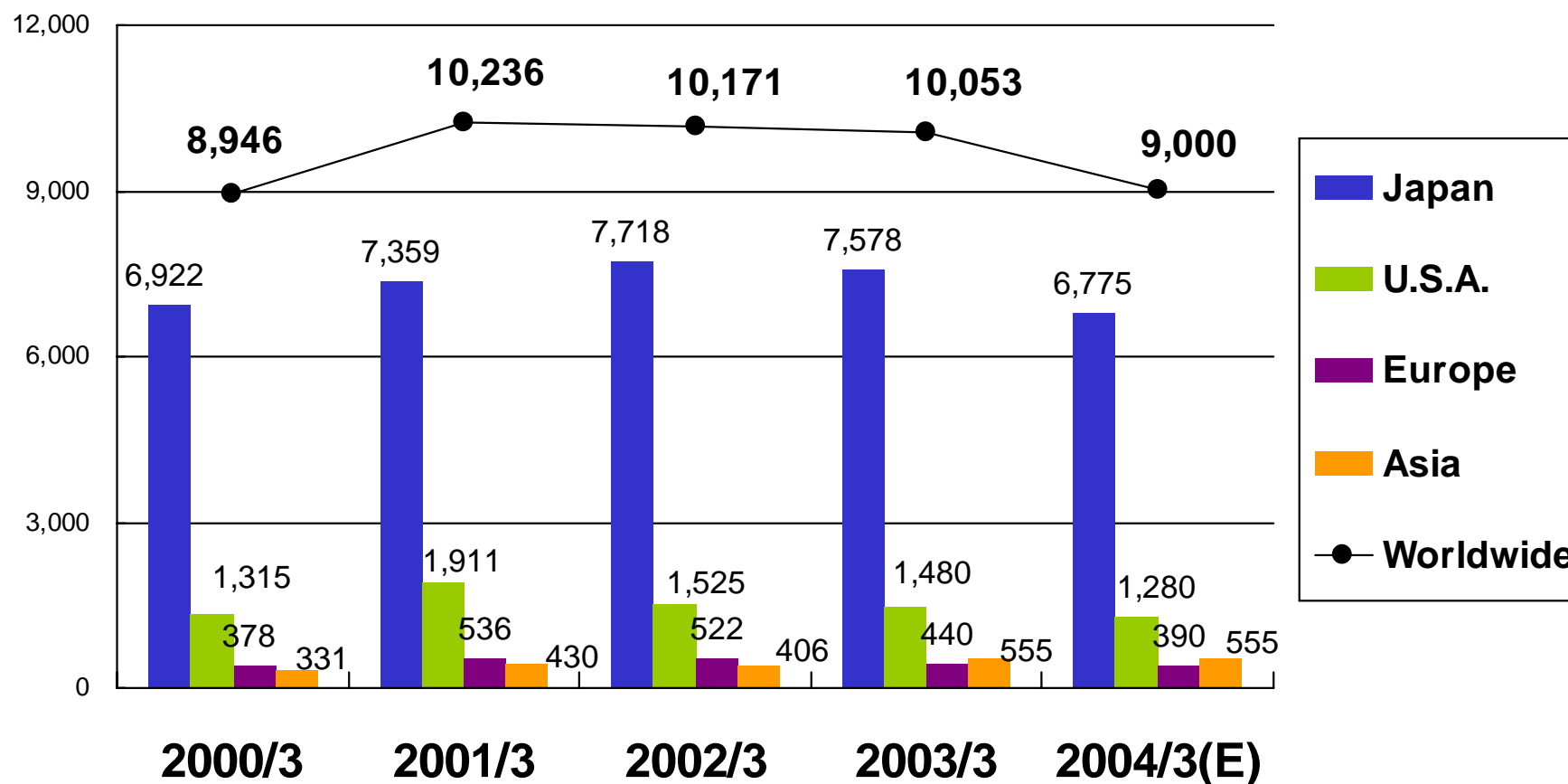


CAPEX for FY04(E)

- Equipment for evaluation
- IT related

FY2004 Financial Estimates

Projected Number of Employees



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Quarterly Results



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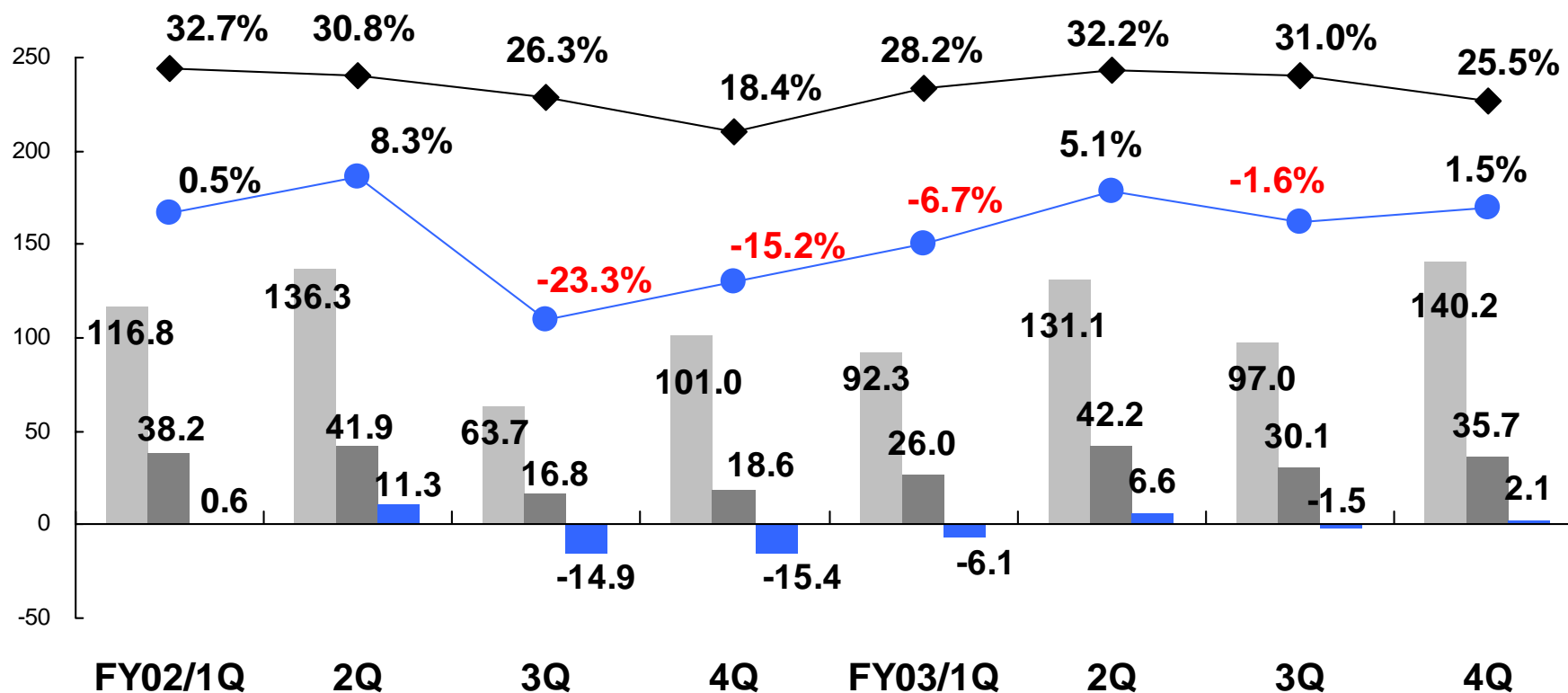
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4Q FY2003 Financial Summary

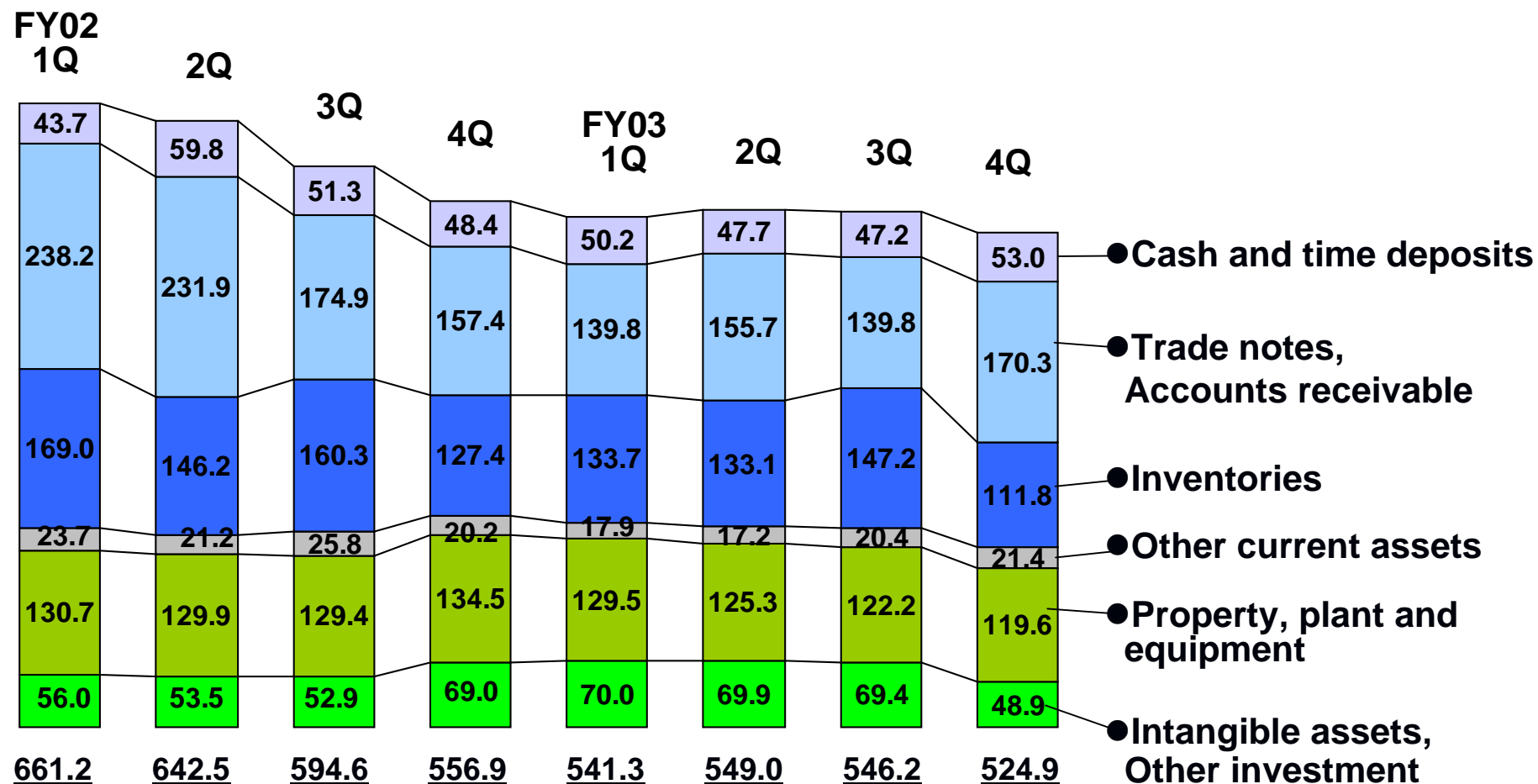
Quarterly Net Sales & Profits



4Q FY2003 Financial Summary

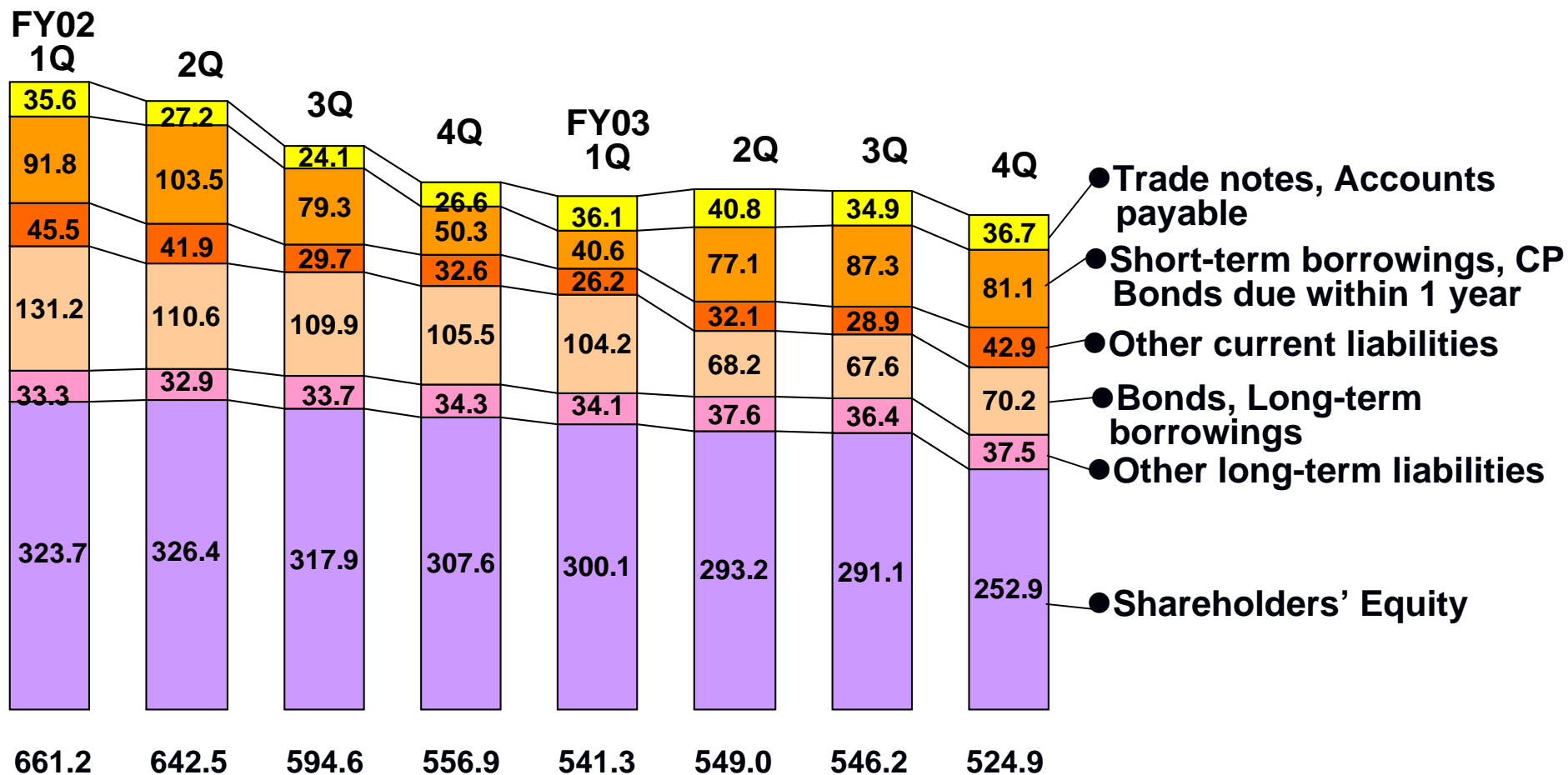
Quarterly Assets

(Billions of Yen)



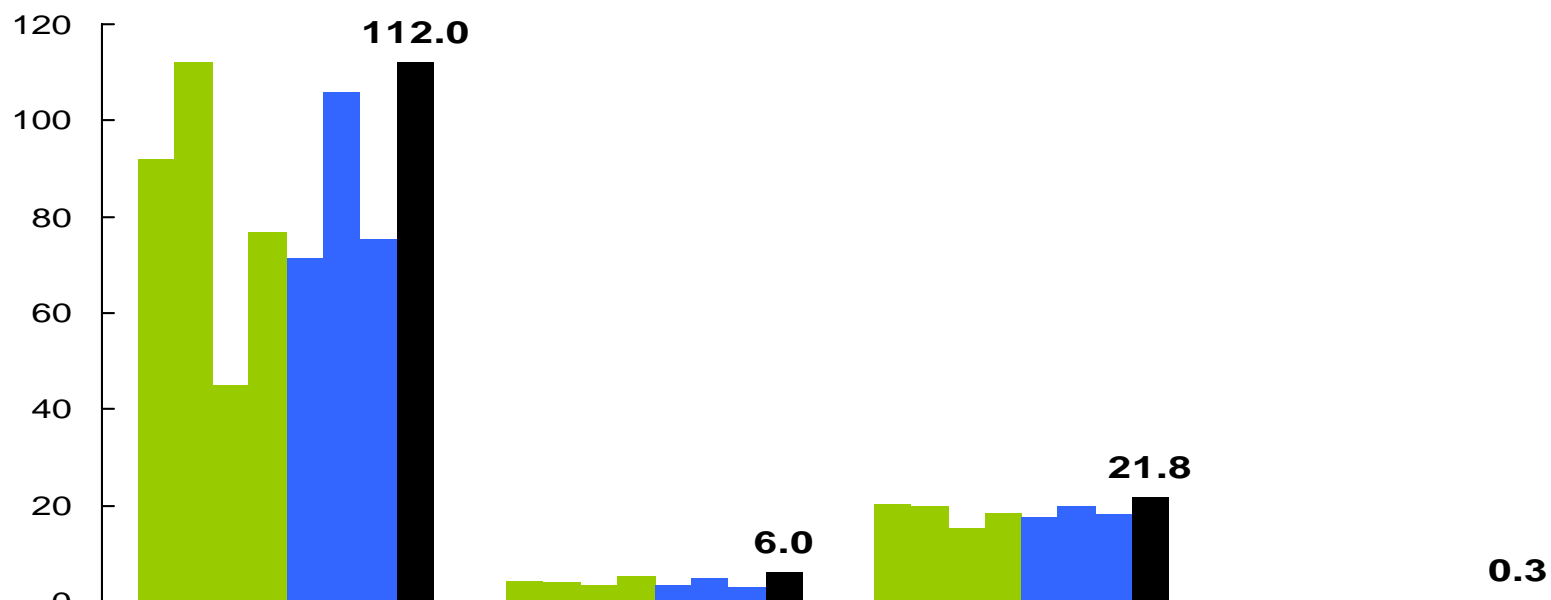
Quarterly Liabilities & Shareholders' Equity

(Billions of Yen)



Quarterly Net Sales by Division

(Billions of Yen)



	SPE	CN	EC	Other	Total
■ FY02/1Q	91.9	4.4	20.1	0.4	116.8
■ 2Q	112.0	4.0	19.9	0.4	136.3
■ 3Q	44.9	3.3	15.2	0.3	63.7
■ 4Q	76.9	5.3	18.4	0.3	101.0
■ FY03/1Q	71.3	3.3	17.4	0.3	92.3
■ 2Q	106.0	4.8	20.0	0.3	131.1
■ 3Q	75.4	3.1	18.2	0.3	97.0
■ 4Q	112.0	6.0	21.8	0.3	140.2



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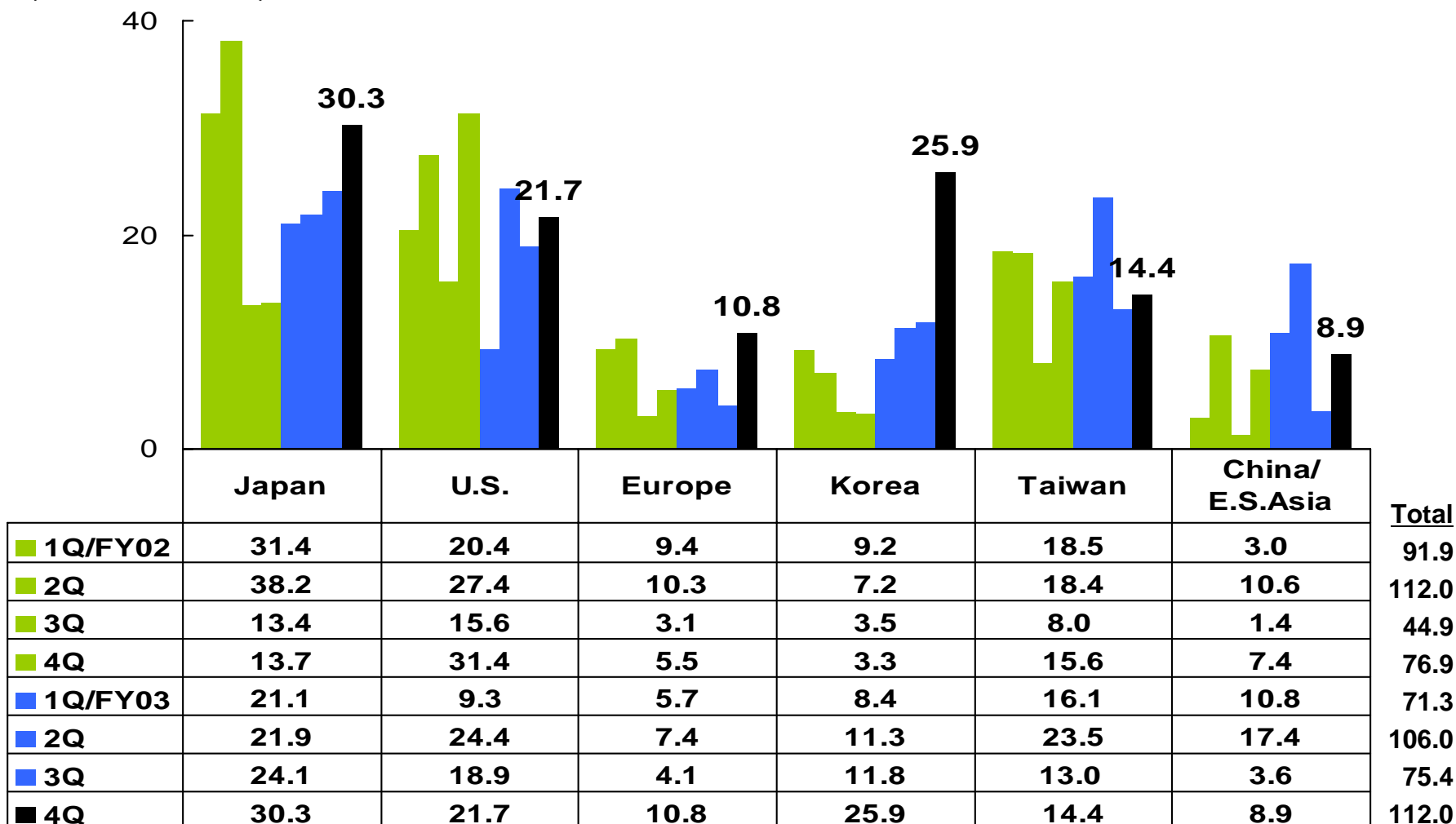
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4Q FY2003 Financial Summary

Quarterly SPE Sales by Region

(Billions of Yen)



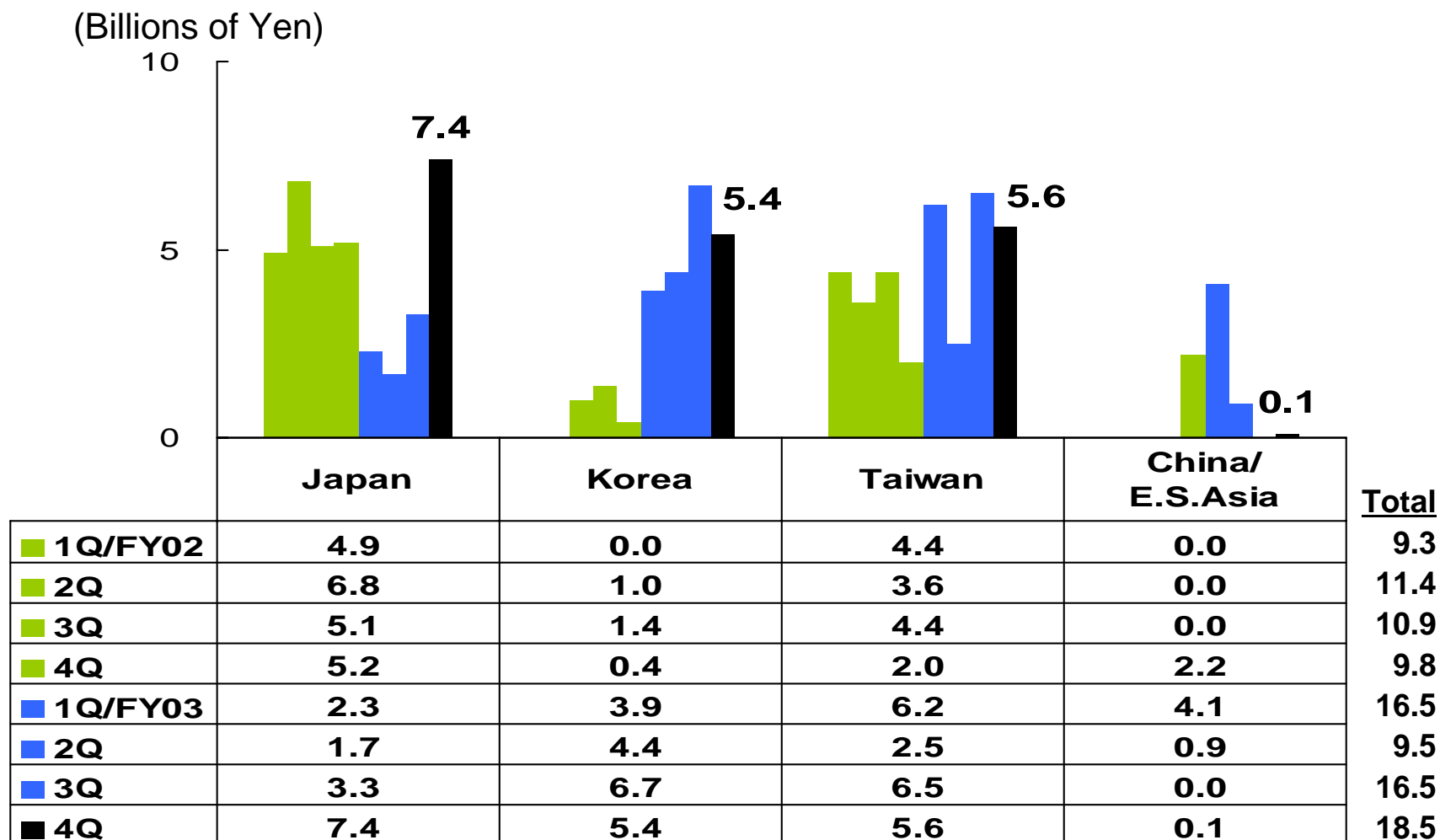
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Quarterly FPD Production Equipment Sales Non-consolidated Basis



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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 changes are significant.



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