Semiconductor Production Equipment

TOKYO ELECTRON AT A GLANCE

Net Sales

Effective from fiscal 2005, the Company made certain changes in accounting policies as discussed in the notes to consolidated financial statements.

635.710

457,191

75,038

15,966

86,249

2005

673.686

486,883

81,176

17,497

86,881

2006

(Millions of yen)

600,000

500,000

400,000

300,000

200.000

100,000

0



Summary of Business

Tokyo Electron supplies a wide range of semiconductor production equipment (SPE) and provides outstanding service support to the world's manufacturers of semiconductor devices. Tokyo Electron's products and technologies support high productivity and diverse customer needs and are thus indispensable in the manufacture of increasingly sophisticated semiconductors.

Fiscal 2006 Overview

Division net sales were ¥486.9 billion, a 6.5% year-on-year increase.

The past fiscal year saw strong demand particularly for semiconductor memories on the back of surging demand for portable music players and other digital consumer electronics, in addition to PCs and mobile phones. Reflecting this demand, semiconductor manufacturers invested heavily in increasing production capacity. In turn, this generated brisk inquiries for the Company's products.

FPD Production Equipment



Tokyo Electron supplies flat panel display (FPD) production equipment that is used to manufacture displays for PCs, LCD TVs and other electronic devices. This equipment is supplied to LCD panel manufacturers concentrated in Japan and elsewhere in Asia. With its outstanding products and service support, Tokyo Electron is able to respond to customers' pursuit of high quality and lower costs.

Fiscal 2006 Overview

Sales in this division were ¥81.2 billion, an 8.2% year-on-year increase.

Due to the rapid uptake of large-screen LCD TVs by ordinary households, LCD panel manufacturers ramped up capital investment to boost production capacity. Sales to Taiwan were particularly strong in this environment. By generation, sixth-generation equipment contributed significantly to sales, while sales of models for seventh-generation glass substrates rose sharply.

Tokyo Electron delivers business solutions for the broadband era with a wide assortment of superior network-related and other products that cater to the needs of the time. Backed by a worldwide marketing organization that enables the Company to stay abreast of the latest technological developments around the globe, Tokyo Electron provides integrated solutions from product introduction to support. **Fiscal 2006 Overview**

Fiscal 2006 Overview

Division sales were ¥17.5 billion, an increase of 9.6% compared to the previous fiscal year.

Among SAN (Storage Area Network)-related products, sales were strong of fibre channel fabric switches and other products that form the platform technologies for network construction. With respect to network-related products, business was strong for products that create highly secure websites.

Electronic Components

2.6%



paradigm consisting of two functions. One is as a distributor of a wide array of sophisticated electronic components from around the world. The other is a "development business," whereby TED designs and develops components on contract according to customer needs as well as develops its own products. **Fiscal 2006 Overview**

In this segment, Tokyo Electron Device Limited (TED) is developing a new business

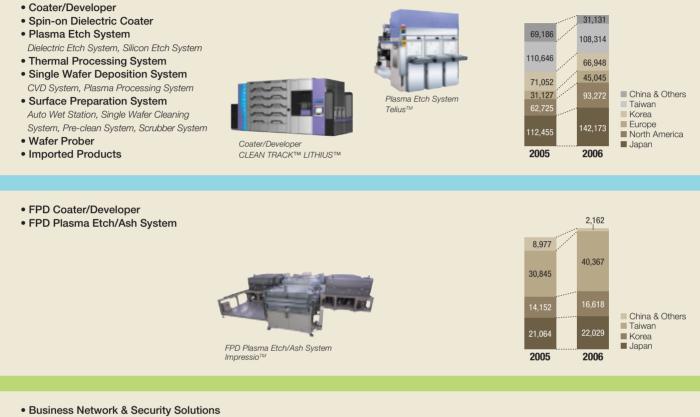
Sales in this division were ¥86.9 billion, a 0.7% year-on-year increase.

In semiconductor products, which account for approximately 90% of sales in this segment, sales of products for factory automation and for cell phone base stations were firm on the back of higher capital investments. Furthermore, sales of products used in flat panel TVs and car navigation systems were solid as consumer spending grew.

Besides the aforementioned businesses, the Company recorded sales in the Others business of ¥1,249 million in fiscal 2006, compared with ¥1,266 million in fiscal 2005.

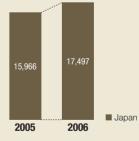
Main Products

Sales by Region (Millions of yen)



- Storage Area Network (SAN) Solutions
- Middleware Solutions
- Aerospace Products





- Semiconductor Products
- Board Computer Products
- Software
- Other Electronic Components



Xilinx, Inc.

