

February 15, 2014

To whom it may concern

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Representative: Tetsuro Higashi
President and Representative Director
(Code No.: 8035, First Section of the
Tokyo Stock Exchange)
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(Amendment) Notice Concerning Amendments to the “Notice Regarding the Incorporation of Subsidiaries in Preparation for Business Combination with Applied Materials, Inc.”

Tokyo Electron Limited (President and Representative Director: Tetsuro Higashi) (“**Tokyo Electron**”) hereby announces that it has amended part of the “Notice Regarding the Incorporation of Subsidiaries in Preparation for Business Combination with Applied Materials, Inc.” dated December 18, 2013, as follows.

I. Reason for Amendments

As announced in the press release “Notice Regarding the Scheme Change to Combine Tokyo Electron Limited and Applied Materials, Inc.” issued today, Tokyo Electron and Applied Materials, Inc. (President and CEO: Gary Dickerson) (“**Applied Materials**”; Tokyo Electron and Applied Materials each a “**Company**,” and together, the “**Companies**”) agreed to change the method (the “**Scheme Change**”) for combining their respective businesses through a merger of equals (the “**Business Combination**”). Accordingly, at a board of directors meeting of Tokyo Electron held on February 14, 2014 (Japan time) and a board of directors meeting of Applied Materials held on February 14, 2014 (California time), the Companies decided to execute an amendment agreement to reflect the Scheme Change.

Due to the Scheme Change, among the two subsidiaries of Tokyo Electron that its board of directors decided on December 18, 2013 to incorporate as part of the Business Combination, Tokyo Electron has resolved to change the corporate form of the Japanese subsidiary, having not yet been incorporated as of today.

II. Amended Portions

Underlined portions indicate amendments.

1. Reason for Incorporating Subsidiaries

(Pre-amendment)

As announced in the Prior Press Release, Tokyo Electron agreed with Applied Materials to implement the Business Combination and executed a business combination agreement (the “**Business Combination Agreement**”) on September 24, 2013.

The Business Combination Agreement prescribes that, in preparation for the Business Combination, Tokyo Electron shall incorporate, as wholly owned subsidiaries of Tokyo Electron, (1) a company formed under the laws of the Netherlands that will become the parent company of the Companies after the Business Combination (“**HoldCo**”) and (2) a company formed under the laws of Japan that will be the surviving subsidiary company of

HoldCo (the “Tokyo Electron Merger Sub”) in a triangular merger in which Tokyo Electron will be the dissolving company (the “Tokyo Electron Merger”). Tokyo Electron today approved the incorporation of these subsidiaries.

Subject to the terms and conditions set forth in the Business Combination Agreement, the Business Combination will be effected through (1) the Tokyo Electron Merger of Tokyo Electron and the Tokyo Electron Merger Sub that will be incorporated by Tokyo Electron, and (2) the merger of Applied Materials and a company that will be incorporated by Applied Materials under the laws of the state of Delaware (the “**Applied Materials Merger**”). As consideration for these mergers, shareholders of Tokyo Electron and stockholders of Applied Materials will each receive ordinary shares of HoldCo. Consequently, after the closing of the Business Combination, shares of HoldCo will be held by the former shareholders of Tokyo Electron and the former stockholders of Applied Materials and HoldCo will cease to be a subsidiary of Tokyo Electron.

(Post-amendment)

As announced in the Prior Press Release, Tokyo Electron agreed with Applied Materials to implement the Business Combination and executed a business combination agreement (the “**Business Combination Agreement**”) on September 24, 2013, and Tokyo Electron decided to execute an amendment agreement to the Business Combination Agreement (the “Amendment Agreement”) on February 14, 2014. For details on the reason for the execution of the Amendment Agreement, please refer to the press release “Notice Regarding the Scheme Change to Combine Tokyo Electron Limited and Applied Materials, Inc.” issued today.

The Business Combination Agreement and the Amendment Agreement require, in preparation for the Business Combination, Tokyo Electron to incorporate, as wholly owned subsidiaries of Tokyo Electron, (1) a company formed under the laws of the Netherlands that will become the parent company of the Companies after the Business Combination (“**HoldCo**”) and (2) a company formed under the laws of Japan that will be the wholly-owning parent company in the triangular share-for-share exchange (the “Tokyo Electron Share Exchange Sub”), in which Tokyo Electron will become a direct wholly-owned subsidiary of the Tokyo Electron Share Exchange Sub, and corratively, an indirect wholly-owned subsidiary of the HoldCo (the “Tokyo Electron Share Exchange”). HoldCo was already incorporated on January 6, 2014 pursuant to a resolution of the board of directors of Tokyo Electron dated December 18, 2013. Tokyo Electron’s board of directors resolved at a meeting held on February 14, 2014, to incorporate the Tokyo Electron Share Exchange Sub, in accordance with the Amendment Agreement.

Subject to the terms and conditions set forth in the Business Combination Agreement and the Amendment Agreement, the Business Combination will be effected through (1) the Tokyo Electron Share Exchange of Tokyo Electron and the Tokyo Electron Share Exchange Sub that will be incorporated by Tokyo Electron, and (2) the merger of Applied Materials and a company that will be incorporated by Applied Materials under the laws of the state of Delaware (the “**Applied Materials Merger**”). As consideration for these transactions, shareholders of Tokyo Electron and stockholders of Applied Materials will each receive ordinary shares of HoldCo. Consequently, after the closing of the Business Combination, shares of HoldCo will be held by the former shareholders of Tokyo Electron and the former stockholders of Applied Materials and HoldCo will cease to be a subsidiary of Tokyo Electron.

2. Outline of Subsidiaries to Be Incorporated (as scheduled)

(1) HoldCo

(Pre-amendment)

(1) Company Name	TEL-Applied Holdings B.V. (Note 1)
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(2) Location of Main Office	<u>Amsterdam, the Netherlands</u>	
(3) Representative Director	Tetsuro Higashi, Managing Director For the major officers of HoldCo immediately after the closing of the Business Combination, please see the Prior Press Release.	
(4) Business Operation	Prior to consummation of the Business Combination, HoldCo will take care of the necessary preparations for the Business Combination and business incidental thereto. From and after the closing of the Business Combination, the primary function of HoldCo will be to serve as the holding company of Tokyo Electron and Applied Materials, to manage the businesses and companies of Tokyo Electron and Applied Materials, and to conduct business incidental thereto.	
(5) Capital Stock	One euro (Note 2)	
(6) Establishment	<u>Early January 2014 (as scheduled)</u>	
(7) End of Fiscal Year	December 31 (Note 1)	
(8) Major Shareholders and Shareholding Ratio	Tokyo Electron 100%	
(9) Relationship between Tokyo Electron and HoldCo	Capital Relationship	HoldCo <u>will be</u> incorporated as Tokyo Electron's wholly owned subsidiary and, after the Business Combination, will become the parent company of Tokyo Electron (after the <u>Tokyo Electron Merger</u>) and Applied Materials (after the Applied Materials Merger).
	Personnel Relationship	Tetsuro Higashi, Representative Director of Tokyo Electron, <u>will be</u> the initial <u>executive</u> director of HoldCo. For the directors and the major officers of HoldCo immediately after the closing of the Business Combination, please see the Prior Press Release.
	Business Relationship	N/A

(Note 1) The company's name and fiscal year end is as of the date of incorporation. Tokyo Electron and Applied Materials will change the name of HoldCo and determine the fiscal year end of HoldCo prior to, or in conjunction with, the closing of the Business Combination. In addition, prior to consummation of the Business Combination, HoldCo will be converted from a private limited liability company (*besloten vennootschap*) to be organized under the laws of the Netherlands to a public limited liability company (*naamloze vennootschap*).

(Note 2) The amount of capital stock is as of the date of incorporation. Prior to the Tokyo Electron Merger, HoldCo will issue to the Tokyo Electron Merger Sub an amount of ordinary shares of HoldCo necessary to provide the consideration for the Tokyo Electron Merger. Accordingly, the amount of capital stock will be changed.

(Post-amendment)

(1) Company Name	TEL-Applied Holdings B.V. (Note 1)
(2) Location of Main Office	<u>Kerkenbos 1015, Unit C, 6546 BB, Nijmegen, the Netherlands</u>
(3) Representative Director	Tetsuro Higashi, Managing Director For the major officers of HoldCo immediately after the closing of the

	Business Combination, please see the Prior Press Release.	
(4) Business Operation	<p>Prior to consummation of the Business Combination, HoldCo will take care of the necessary preparations for the Business Combination and business incidental thereto.</p> <p>From and after the closing of the Business Combination, the primary function of HoldCo will be to serve as the holding company of Tokyo Electron and Applied Materials, to manage the businesses and companies of Tokyo Electron and Applied Materials, and to conduct business incidental thereto.</p>	
(5) Capital Stock	One euro (Note 2)	
(6) Establishment	<u>January 6, 2014</u>	
(7) End of Fiscal Year	December 31 (Note 1)	
(8) Major Shareholders and Shareholding Ratio	Tokyo Electron 100%	
(9) Relationship between Tokyo Electron and HoldCo	Capital Relationship	HoldCo <u>was</u> incorporated as Tokyo Electron's wholly owned subsidiary and, after the Business Combination, will become the parent company of Tokyo Electron (after the <u>Tokyo Electron Share Exchange</u>) and Applied Materials (after the Applied Materials Merger).
	Personnel Relationship	Tetsuro Higashi, Representative Director of Tokyo Electron, <u>is</u> the initial director of HoldCo. For the directors and the major officers of HoldCo immediately after the closing of the Business Combination, please see the Prior Press Release.
	Business Relationship	N/A

(Note 1) The company's name and fiscal year end is as of the date of incorporation. Tokyo Electron and Applied Materials will change the name of HoldCo and determine the fiscal year end of HoldCo prior to, or in conjunction with, the closing of the Business Combination. In addition, prior to consummation of the Business Combination, HoldCo will be converted from a private limited liability company (*besloten vennootschap*) organized under the laws of the Netherlands to a public limited liability company (*naamloze vennootschap*) organized under the laws of the Netherlands.

(Note 2) The amount of capital stock is as of the date of incorporation. Prior to the Tokyo Electron Share Exchange, HoldCo will issue to the Tokyo Electron Share Exchange Sub an amount of ordinary shares of HoldCo necessary to provide the consideration for the Tokyo Electron Share Exchange. Accordingly, the amount of capital stock will be changed.

(Pre-amendment)

(2) Tokyo Electron Merger Sub

(1) Company Name	TEL Japan <u>Limited</u> (Note 1)
(2) Location of Main Office	3-1 Akasaka 5-chome, Minato-ku, Tokyo
(3) <u>Representative Director</u>	<u>Tetsuro Higashi, Representative Director</u> <u>Hirofumi Kitayama, Representative Director</u>
(4) Business Operation	1. To manufacture, purchase and sell electronic products and parts,

	materials and appurtenances thereof; 2. To manufacture, purchase and sell physical and chemical appliances and parts, materials and appurtenances thereof; 3. To conduct research, development and consulting with respect to electronic products, physical and chemical appliances and parts, materials and appurtenances thereof; 4. To acquire and transfer patents and other industrial property rights and to act as an agent in connection therewith; and 5. To engage in any other business related to the foregoing.	
(5) Capital Stock	10,000,000 yen	
(6) Establishment	January 2014 (as scheduled)	
(7) End of Fiscal Year	December 31 (Note 1)	
(8) <u>Major Shareholders and Shareholding Ratio</u>	Tokyo Electron 100%	
(9) Relationship between Tokyo Electron and the <u>Tokyo Electron Merger Sub</u>	Capital Relationship	The <u>Tokyo Electron Merger Sub</u> will be incorporated as a wholly owned subsidiary of Tokyo Electron. Prior to the <u>Tokyo Electron Merger</u> , Tokyo Electron will transfer to HoldCo all <u>outstanding and issued shares</u> of the <u>Tokyo Electron Merger Sub</u> , and the <u>Tokyo Electron Merger Sub</u> will become a wholly owned subsidiary of HoldCo.
	Personnel Relationship	Tetsuro Higashi and Hirofumi Kitayama, Representative Directors of Tokyo Electron, will be <u>Representative Directors</u> of the <u>Tokyo Electron Merger Sub</u> .
	Business Relationship	N/A

(Note 1) The company name and fiscal year end is as of the date of incorporation. Tokyo Electron and Applied Materials will change the name of the Tokyo Electron Merger Sub and determine the fiscal year end of the Tokyo Electron Merger Sub prior to, or in conjunction with, the closing of the Business Combination.

(Post-amendment)

(2) Tokyo Electron Share Exchange Sub

(1) Company Name	TEL Japan <u>GK</u> (Note 1)
(2) Location of Main Office	3-1 Akasaka 5-chome, Minato-ku, Tokyo
(3) <u>Representative Partner</u>	<u>Representative Partner</u> Tokyo Electron <u>Executor</u> Tetsuro Higashi <u>Executor</u> Hirofumi Kitayama
(4) Business Operation	1. To manufacture, purchase and sell electronic products and parts, materials and appurtenances thereof; 2. To manufacture, purchase and sell physical and chemical appliances and parts, materials and appurtenances thereof; 3. To conduct research, development and consulting with respect to electronic products, physical and chemical appliances and parts, materials and appurtenances thereof;

	4. To acquire and transfer patents and other industrial property rights and to act as an agent in connection therewith; and 5. To engage in any other business related to the foregoing.	
(5) Capital Stock	1,000,000 yen	
(6) Establishment	not decided	
(7) End of Fiscal Year	December 31 (Note 1)	
(8) <u>Major Partners and Interest Ratio</u>	Tokyo Electron 100%	
(9) Relationship between Tokyo Electron and the <u>Tokyo Electron Share Exchange Sub</u>	Capital Relationship	The <u>Tokyo Electron Share Exchange Sub</u> will be incorporated as a wholly owned subsidiary of Tokyo Electron. Prior to the <u>Tokyo Electron Share Exchange</u> , Tokyo Electron will transfer to HoldCo all <u>equity interest</u> of the <u>Tokyo Electron Share Exchange Sub</u> , and the <u>Tokyo Electron Share Exchange Sub</u> will become a wholly owned subsidiary of HoldCo.
	Personnel Relationship	Tetsuro Higashi and Hirofumi Kitayama, Representative Directors of Tokyo Electron, will be <u>Executors</u> of the <u>Tokyo Electron Share Exchange Sub</u> .
	Business Relationship	N/A

(Note 1) The company name and fiscal year end is as of the date of incorporation. Tokyo Electron and Applied Materials will change the name of the Tokyo Electron Share Exchange Sub and determine the fiscal year end of the Tokyo Electron Share Exchange Sub prior to, or in conjunction with, the closing of the Business Combination.

3. Future Outlook

(Pre-amendment)

Pursuant to the Business Combination Agreement, Tokyo Electron will enter into a merger agreement with the Tokyo Electron Merger Sub with respect to the Tokyo Electron Merger and obtain shareholder approval of the merger agreement at a meeting of Tokyo Electron's shareholders. The date of such shareholders meeting will be determined taking into account the effectiveness of the Registration Statement on Form S-4 under the U.S. securities laws in connection with the issuance of HoldCo ordinary shares in the Business Combination. We will make an announcement as soon as the relevant matters are determined.

(Post-amendment)

Pursuant to the Business Combination Agreement and the Amendment Agreement, Tokyo Electron will enter into a share exchange agreement with the Tokyo Electron Share Exchange Sub with respect to the Tokyo Electron Share Exchange and obtain shareholder approval of the share exchange agreement at a meeting of Tokyo Electron's shareholders. The date of such shareholders meeting will be determined taking into account the effectiveness of the Registration Statement on Form S-4 under the U.S. securities laws in connection with the issuance of HoldCo ordinary shares in the Business Combination. We will make an announcement as soon as the relevant matters are determined.

End

Forward-Looking Statements

This communication contains forward-looking statements, including but not limited to those regarding the proposed business combination between Applied Materials, Inc. (“Applied Materials”), and Tokyo Electron Limited (“Tokyo Electron”) (the “Business Combination”) and the transactions related thereto. These statements may discuss the anticipated manner, terms and conditions upon which the Business Combination will be consummated, the persons to be appointed officers and directors of a to-be-formed holding company (“HoldCo”), trends and the future performance of their businesses, the synergies of Applied Materials and Tokyo Electron, and similar things. Forward-looking statements may contain words such as “expect,” “believe,” “may,” “can,” “should,” “will,” “forecast,” “anticipate” or similar expressions, and include the assumptions that underlie such statements. These statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including but not limited to: the ability of the parties to consummate the Business Combination in a timely manner or at all; satisfaction of the conditions precedent to consummation of the Business Combination, including the ability to secure regulatory approvals in a timely manner or at all, and approval by Applied Materials’ and Tokyo Electron’s stockholders; the possibility of litigation (including related to the transaction itself); Applied Materials’ and Tokyo Electron’s ability to successfully integrate their operations, product lines, corporate structures, transfer pricing policies, technology and employees and realize synergies, savings and growth expected to result from the Business Combination; unknown, underestimated or undisclosed commitments or liabilities; the potential impact of the announcement or consummation of the proposed transactions on the parties’ relationships with third parties; the level of demand for the combined companies’ products, which is subject to many factors, including uncertain global economic and industry conditions, demand for electronic products and semiconductors, and customers’ new technology and capacity requirements; Applied Materials’ and Tokyo Electron’s ability to (i) develop, deliver and support a broad range of products, expand their markets and develop new markets, (ii) timely align their cost structures with business conditions, and (iii) attract, motivate and retain key employees; and other risks described in the Applied Materials’ filings with the Securities & Exchange Commission (the “SEC”), Tokyo Electron’s filings with the Financial Services Agency of Japan and the S-4 registration statement to be filed by HoldCo. All forward-looking statements are based on management’s estimates, projections and assumptions as of the date hereof. Except as required under applicable law, none of Applied Materials, Tokyo Electron or HoldCo undertakes any obligation to update any forward-looking statements.

No Offer or Solicitation

This announcement is for informational purposes only and is neither an offer to purchase, nor a solicitation of an offer to sell, subscribe for or buy any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and applicable regulations in the Netherlands and Japan.

Additional Information and Where to Find It

Applied Materials and Tokyo Electron intend to cause HoldCo to file with the SEC a registration statement on Form S-4 (the “Registration Statement”), which will include a prospectus with respect to HoldCo’s ordinary shares to be issued in the Business Combination and a proxy statement of Applied Materials in connection with the Business Combination between Applied Materials and Tokyo Electron. The definitive Registration Statement will contain important information about the proposed Business Combination and related matters. **SECURITY HOLDERS ARE URGED AND ADVISED TO READ THE REGISTRATION STATEMENT CAREFULLY WHEN IT BECOMES AVAILABLE.** The Registration Statement and other relevant materials (when they become available) and any other documents filed by Applied Materials, HoldCo or Tokyo Electron with the SEC may be obtained free of charge at the SEC’s web site at www.sec.gov. In addition, security holders will be able to obtain

free copies of the Registration Statement from Applied Materials or Tokyo Electron by contacting either (1) Investor Relations by mail at Applied Materials, Inc., 3050 Bowers Avenue M/S 1261, P.O. Box 58039, Santa Clara, CA 95054-3299, Attn: Investor Relations Department, by telephone at 408-748-5227, or by going to Applied Materials' Investor Relations page on its corporate web site at www.appliedmaterials.com; or (2) (i) with respect to media inquiries, Tokyo Electron's Public Relations Group, by mail at Tokyo Electron Limited, Akasaka Biz Tower, 3-1 Akasaka 5-chome, Minato-ku, Tokyo 107-6325, by telephone at +81-3-5561-7004, or by email at telpr@tel.com, and (ii) with respect to analyst inquiries, Tokyo Electron's Public Relations Group, by mail at Tokyo Electron Limited, Akasaka Biz Tower, 3-1 Akasaka 5-chome, Minato-ku, Tokyo 107-6325, by telephone at +81-3-5561-7004, by email at telpr@tel.com, or by going to Tokyo Electron's Investor Relations page on its corporate web site at www.tel.co.jp.

Participants in the Solicitation

Applied Materials, Tokyo Electron, HoldCo and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Applied Materials' stockholders in connection with the proposed Business Combination. Information about Applied Materials' directors and executive officers is set forth in Applied Materials' Proxy Statement on Schedule 14A for its 2013 Annual Meeting of Stockholders, which was filed with the SEC on January 22, 2013, and its Annual Report on Form 10-K for the fiscal year ended October 28, 2012, which was filed with the SEC on December 5, 2012. These documents are available free of charge at the SEC's web site at www.sec.gov, and from Applied Materials by contacting Investor Relations by mail at Applied Materials, Inc., 3050 Bowers Avenue M/S 1261, P.O. Box 58039, Santa Clara, CA 95054-3299, Attn: Investor Relations Department, or by going to Applied Materials' Investor Relations page on its corporate web site at www.appliedmaterials.com. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed Business Combination will be included in the Registration Statement that Applied Materials and Tokyo Electron intend to cause HoldCo to file with the SEC.