

Name of the Company:	Tokyo Electron Limited
Name of the Representative:	Hiroshi Takenaka President & CEO (Representative Director)
	(Code No.8035; The First Section of the Tokyo Stock Exchange)
Person to contact:	Yuki Maejima Director of General Affairs Dept. (Tel: 03-5561-7000)

### **Tokyo Electron Announces Conclusion of Merger Agreement about Absorption-Type Merger (Short-Form Merger) with Tokyo Electron Technology Development Institute**

Tokyo Electron Limited (TEL) announced today that its Board of Directors had adopted a resolution to conclude the merger agreement about the absorption-type merger with Tokyo Electron Technology Development Institute, Inc. (TDI), a wholly-owned subsidiary, announced December 19, 2012 (below: the “Merger”), and completed execution of the agreement. Since the Merger is with a wholly-owned subsidiary, short-form merger proceedings will be conducted and some disclosure items and details will be omitted.

#### **1. Purpose of the Merger**

TDI was established as a subsidiary in 2007 for the purpose of accelerating development of and quickly commercializing, as well as possibly manufacturing products using RLSA<sup>TM</sup> technologies.

A degree of success was received with development and manufacture of RLSA<sup>TM</sup> etch systems, operations which were transferred to Tokyo Electron Miyagi Limited on October 1. TEL decided that, following consolidation of the remaining development of RLSA<sup>TM</sup> CVD systems, plasma doping systems, organic EL production equipment, and other development with RLSA<sup>TM</sup> technologies into Corporate Development Division, further concentration on application technology development would be optimal.

#### **2. Summary of the Merger**

##### **(1) Merger Schedule**

Date of Board of Directors resolution: December 19, 2012

Date of execution of the agreement: January 18, 2013

Effective date of merger: April 1, 2013

Note: The Merger will be a short-form merger as specified in Article 796, Paragraph 3 of the Companies Act for TEL and a short-form merger as specified in 784, Paragraph 1 of the Companies Act for TDI. Consequently, no general shareholders’ meeting will be held to approve the Merger.

(2) Merger Form

The Merger will be an absorption-type merger with TEL as the surviving company and TDI as the absorbed company. TDI will be liquidated.

(3) Details of Allocations in Relation to the Merger

No shares or monies will be allocated in relation to the Merger.

(4) Procedures Relating to Share Subscription Rights and Corporate Bonds with Share Subscription Rights of the Absorbed Company

TDI has not issued any share subscription rights or corporate bonds with share subscription rights.

3. Overview of the Parties to the Merger

As of March 31, 2012

	Surviving Company	Absorbed Company
(1) Company Name	Tokyo Electron Limited	Tokyo Electron Technology Development Institute, Inc.
(2) Address	3-1 Akasaka 5-chome, Minato-ku, Tokyo	2-1 Osawa 3-chome, Izumi-ku, Sendai City, Miyagi
(3) Representative Director	Hiroshi Takenaka, President & Representative Director	Satoru Kawakami, President & Representative Director
(4) Business Operation	Semiconductor Production Equipment, FPD/PV Production Equipment, and Electronic Components and Computer Networks	Development and manufacture of Semiconductor Production Equipment
(5) Capital Stock	54,961 million yen	100 million yen
(6) Start of Business (Establishment)	November 11, 1963 (April 6, 1951)	June 11, 2007
(7) Number of Issued Stock	180,610,911	132,000
(8) End of Fiscal Year	March 31	March 31
(9) Major Shareholders and Shareholding Ratio	<div>The Master Trust Bank of Japan Ltd. (trust account) 10.79%</div> <div>Japan Trustee Services Bank, Ltd. (trust account) 8.40%</div> <div>Tokyo Broadcasting System Holdings, Inc. 4.27%</div> <div>SSBT OD05 Omnibus Account – Treaty Clients 2.36%</div> <div>State Street Bank and Trust Company 505225 2.31%</div>	Tokyo Electron Limited 100%

(10) Operating Results and Financial Condition for the Most Recent Fiscal Year (Ended March 2012)		
	Tokyo Electron Limited (Consolidated)	Tokyo Electron Technology Development Institute, Inc. (Non-consolidated) *
Net assets	598,602 million yen	Δ3,267 million yen
Total assets	783,610 million yen	7,552 million yen
Net assets per share	3,275.14 yen	Δ24,755.67 yen
Net sales	633,091 million yen	10,938 million yen
Operating income	60,443 million yen	Δ2,237 million yen
Ordinary income	64,046 million yen	Δ2,258 million yen
Net income	36,725 million yen	Δ1,602 million yen
Net income per share	205.04 yen	Δ12,139.26 yen

Note: The surviving company is a company which calculates the distributable amount on preparation of financial statements by Article 158, paragraph (4) of the Ordinance on Company Accounting.

\* Tokyo Electron Technology Development Institute, Inc. underwent an absorption-type company split with Tokyo Electron Technology Development Institute, Inc. as the splitting company and Tokyo Electron Miyagi Limited as the successor company, effective October 1, 2012, and RLSA™ etch system development and manufacturing operations were transferred to Tokyo Electron Miyagi Limited. Therefore, as of October 1, 2012, Tokyo Electron Technology Development Institute, Inc.'s net assets were 152 million yen, total assets were 4,272 million yen, and net assets per share were 1,157.47 yen.

#### 4. Status of Surviving Company following the Merger

No changes will be made to TEL's company name, head office location, representative titles or names, business activities, capital, or fiscal year as a result of the Merger.

#### 5. Future Outlook

Since the Merger is a merger with a wholly-owned subsidiary of TEL, there will be no impact on TEL's consolidated financial results.