

**Announcement regarding Establishment of an Affiliate Company in Taiwan**

We are proud to announce that TOWA Corporation has established an affiliate company (TOWA Taiwan Co., Ltd.) in Hsinchu, Taiwan.

1. Background Information

Taiwan is one of the most important semiconductor manufacturing centers, and in particular Taiwan is home to many of the world's leading semiconductor foundries. In order to stay on the cutting edge of semiconductor manufacturing technology, Taiwan's semiconductor factories make aggressive and ongoing investments in capital equipment, and Taiwan has become a key market for sales of TOWA products. In the past, sales of TOWA products in Taiwan has been primarily carried out through a local sales representative. However, as semiconductor manufacturing technology has become increasingly complex and advanced, we believe that it is necessary for TOWA to engage in local marketing activities that strengthen cooperation and understanding between TOWA and its customers in Taiwan. For this purpose, we have established a fully owned affiliate company in Hsinchu, Taiwan.

2. Objectives of Establishing an Affiliate Company in Taiwan

- 1) TOWA Taiwan will perform marketing activities in parallel with the sales activities of the existing sales representative organization. The marketing activities of TOWA Taiwan will enable TOWA to increase direct interaction with local customers, identify latent needs, and utilize this information to generate new business opportunities. In addition, establishing a stronger local presence will enable TOWA to increase customer satisfaction by responding more effectively to customer requests regarding delivery time, field services, and other issues.
- 2) TOWA Taiwan will perform a broad range of marketing activities in Taiwan. This will provide TOWA with access to the latest information regarding technology trends in the Taiwan market, and this information will be used to focus product development efforts on emerging equipment needs.

3. Company Overview

- 1) Name: TOWA Taiwan Co., Ltd.
- 2) Address: 15F-4, No. 295, Sec 2, Guangfu Road, Hsinchu 300, Taiwan, R.O.C.
- 3) Business activities
  - Sales of semiconductor manufacturing equipment, precision molds, and spare parts
  - Maintenance and field service of semiconductor manufacturing equipment, precision molds, and spare parts
  - International trade
- 4) Date of incorporation: January 28, 2004.
- 5) Paid-in Capital: NT\$10 million (100% issued by TOWA Corporation)
- 6) Board of Directors:

Chairman	Yoichi Kawahara	Managing Director TOWA Corporation
General Manager	Hirokazu Okada	Director TOWA Corporation