

Semitoool
June 2007



WF Regan MacKenzie
Seattle, WA.

SEMITOOL

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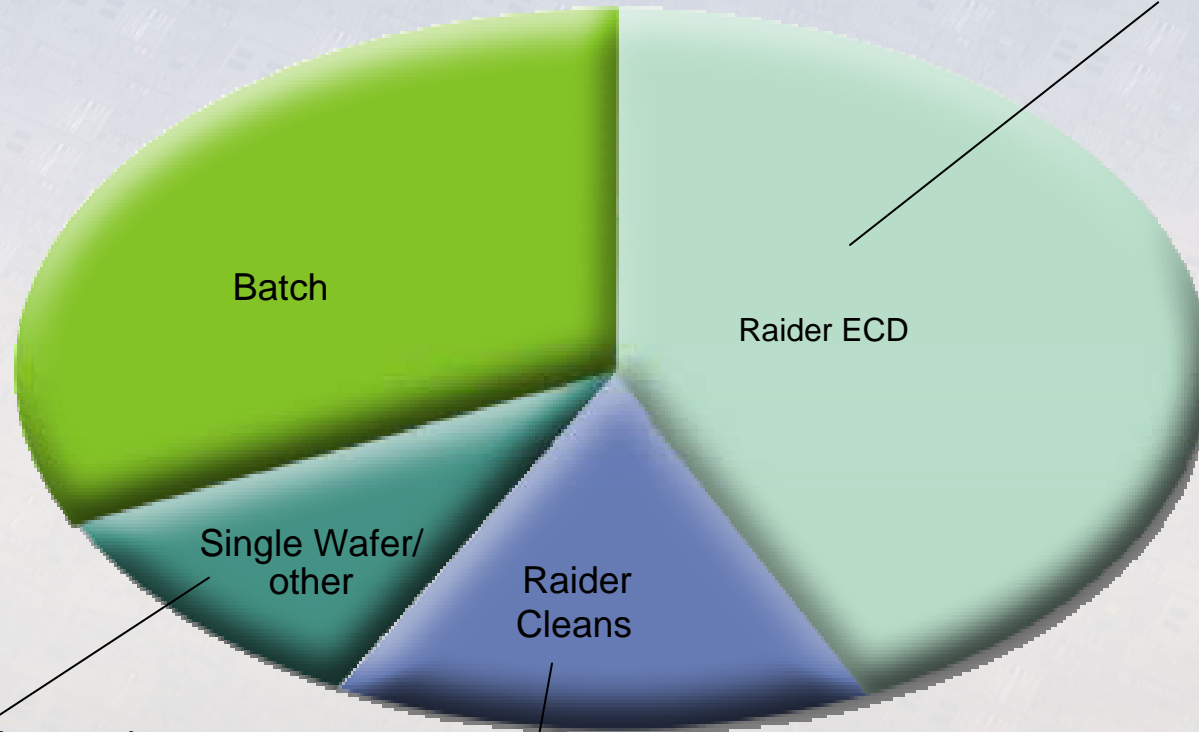
Investment Highlights

- **Right Markets**
 - **Cleaning and Plating, WLP, BEOL, FEOL**
 - **Growing faster than overall semi-cap segment**
- **Right Platform “RAIDER”**
 - **Common platform serving all markets**
- **Right Time**
 - **Opportunity with accelerating technology shifts driving sales gains**

Strong Patent Portfolio

312 Patents Granted

Copper Plating/Multi Anodes/
Process and Hardware/Raptor



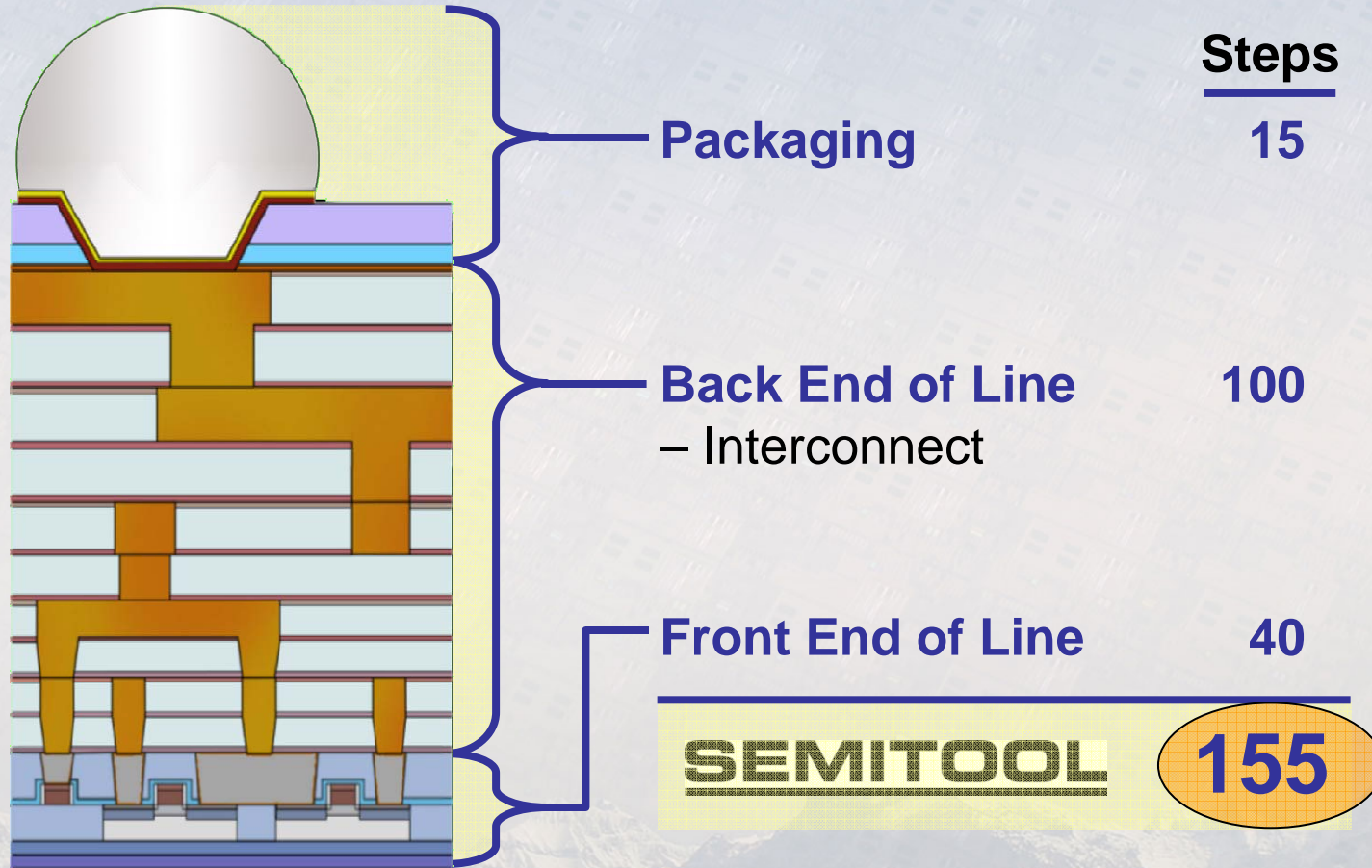
187 Patents Pending

Hydrozone/Megasonics/Capsule

SEMITOOL®
Technology That Works

Markets We Serve

500+ Fabrication Steps

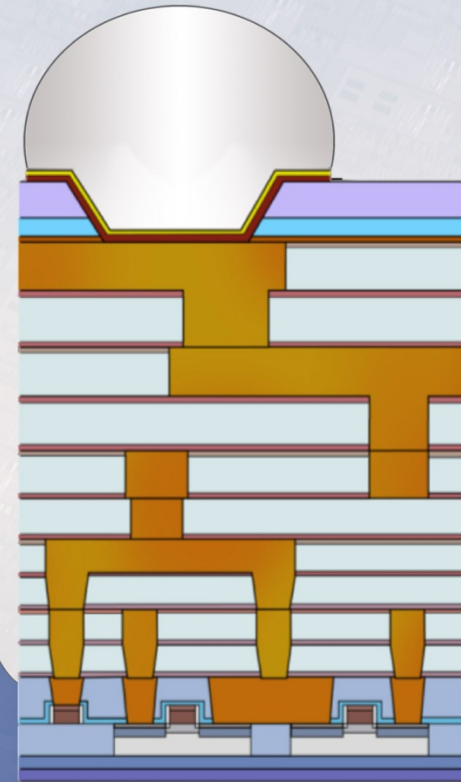


Increasing wet process steps

Semitool Market Overview

Surface Prep Single Wafer FEOL

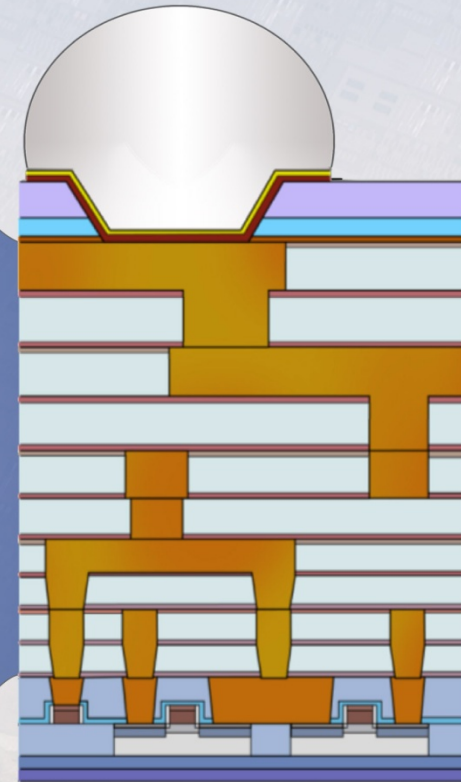
- **Market**
 - 2006 – 2011: \$80M – \$480M
 - 43% CAGR
- **Market Drivers**
 - Device architecture/wafer size
 - Yield
 - Technology Shift
 - Single wafer
 - Materials
 - **Extendibility**
- **Semitool's Position**
 - **Market Leader**
 - Cost of ownership
 - Short Ozonated processes
 - Higher productivity
 - Megs (damage free clean)
 - Process Control
 - Ultra dilute chemical dosing



Semitool Market Overview

Cu Damascene

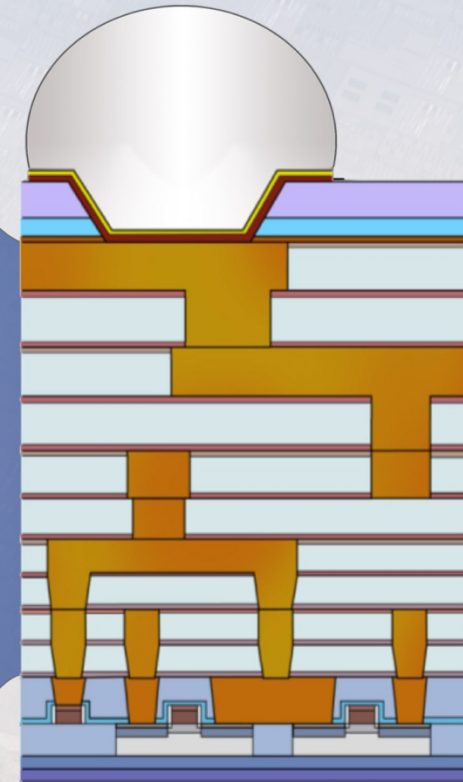
- **Market**
 - 2006 – 2011: \$215M – \$340M
 - CAGR 10%
- **Key Drivers**
 - **Memory Adopting**
 - Costs/ wafer pass
 - Thin seed layers
 - 1mm Edge exclusion
 - **Logic < 65nm**
 - Thin seed layers
 - Film Profile
 - Void free fill
- **Semitool's Position**
 - **Leading Position in Memory**
 - **30% lower costs**
 - **Technology proven to 35nm**
 - **Over 100% GROWTH IN 2006**



Semitool Market Overview

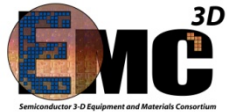
Surface Prep Single Wafer BEOL

- **Market**
 - 2006 – 2011: \$268M – \$405M
 - 9% CAGR
- **Key Drivers**
 - **Materials**
 - Cu and Low K
 - **Yield**
 - Bevel and Via
- **Semitool's Position**
 - **Gaining sales**
 - Via
 - Memory advanced Al cl
 - Backside, edge and Bevel
 - Cleaning, Strip and Etch

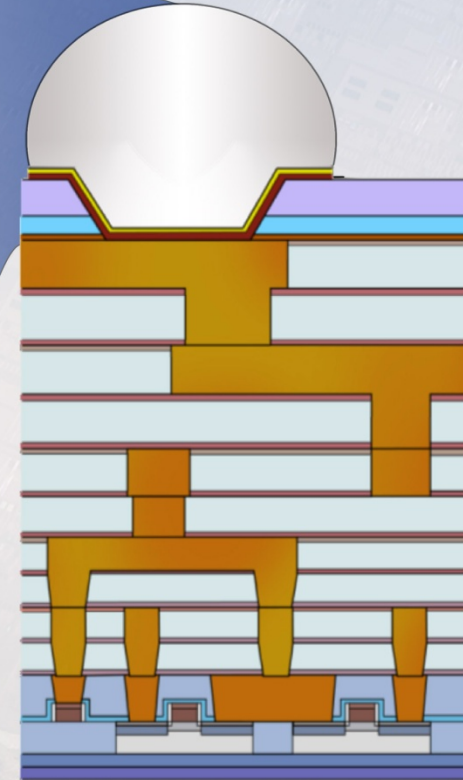


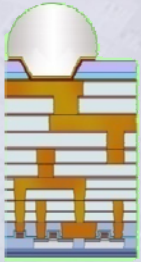
Semitool Market Overview

Wafer Level Packaging



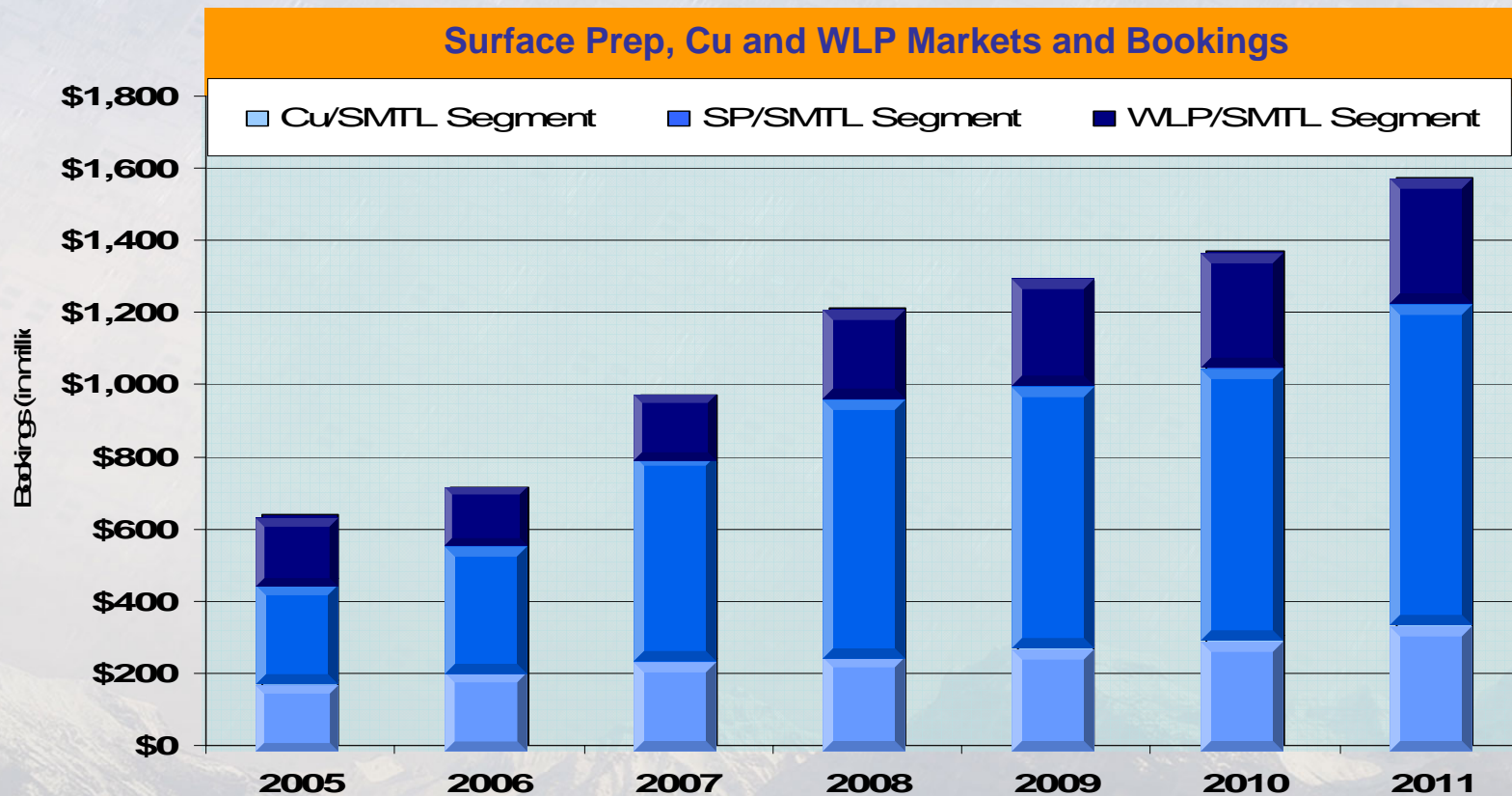
- **Markets (Plating & Cleaning)**
 - 2006 – 2011: \$152M – \$348M
 - 18% CAGR
 - **Applications**
 - Cleans: UBM Etch, Strip, Clean
 - Plating: Lead, Lead Free, RDL, TSV
- **Key Drivers**
 - High performance
 - 300mm/cost
 - Lead Free
- **Leading Position in Plating**
 - Raptor plating
- **Leader in Lead Free**





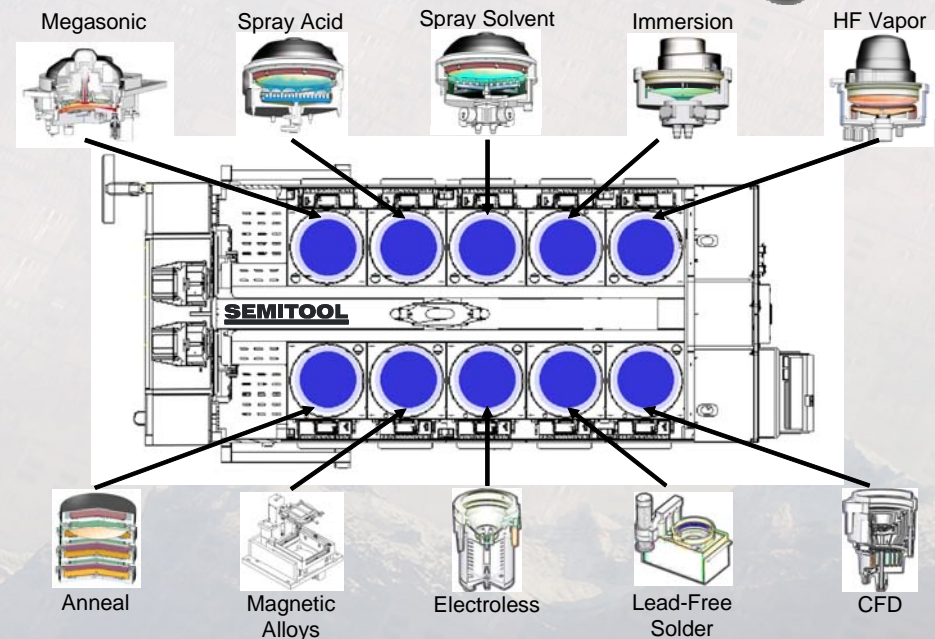
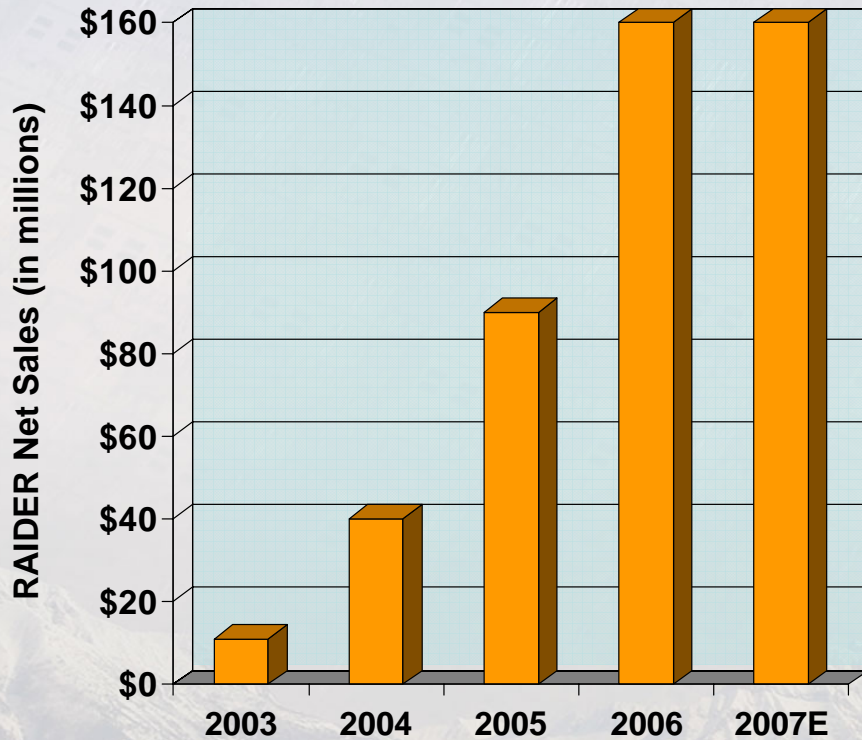
Semitool's Increasing SAM

- **Market**
 - 2006 – 2011: \$715M – \$1,574M
 - 17% CAGR



Semitool's RAIDER Platform

- Common platform:
 - Plating, cleaning, etching, annealing
 - No teach automation
 - Independent chambers = 12 tools



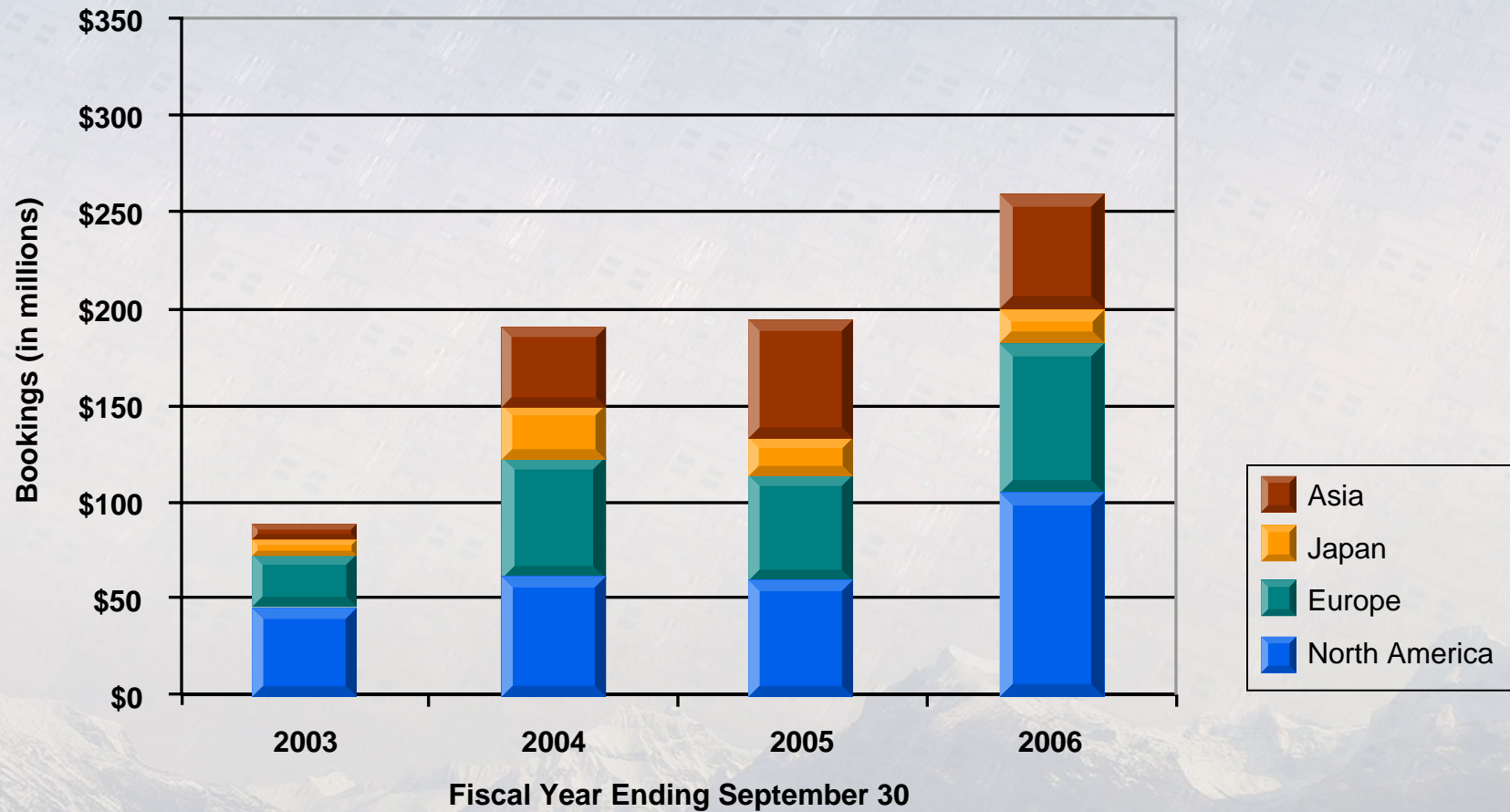
SEMITOOL®
Technology That Works

Customer Sales Strategies

- **Take care of current customer**
 - Repeat orders (vertical penetration)
 - New applications (horizontal penetration)
 - References for new customers
 - Technology transfers
- **Focus on Under represented Geographies**
 - Asian opportunity
 - Phase 1
 - Initial focus Asian foundries, US Logic & Memory
 - Phase 2
 - Asian Memory
- **R&D partners**
 - Leti (Everything), CNT (Plating and Cleaning), SVTC (FEOL), Others (Lead Free) & (TSV)

Semitool's Growth Focus

Bookings Progress



Top 10 Customer Lists

2004

AMD
Amkor
Atmel
Freescale
Infineon
Micron
Seagate
SMIC
ST Micro
UMC

2005

AMD
Amkor
ASE
Freescale
Infineon
SPIL
Sony
ST Micro
Tower
UMC

2006

AMD
Amkor
Intel
Micron
Nepes
SMIC
Spansion
ST Micro
TI
UMC

RAIDER Penetration Analysis

2004 Sales Status (Top Spenders 2006)

Applications:	1	2	3	4
Customer A			☺	☺
Customer B				
Customer C				☺
Customer D				
Customer E				
Customer F				
Customer G		☺	☺	
Customer H				
Customer I	☺ ☺			
Customer J		☺		
Customer K				
Customer L		☺		
Customer M		☺		
Customer N			☺	
Customer O			☺ ☺	
Customer P			☺	
Customer Q				
Customer R			☺	
Customer S				
Customer T				

2004 Sales

\$139.6M

☺	POR = 4
☺	DEV = 2
☺	Demo = 8

RAIDER Penetration Analysis

2006 Sales Status (Top Spenders 2006)

Applications:	1	2	3	4
Intel	😊		😊	😊
Samsung	😊	😊		
Hynix		😊		😊
TSMC	😊			😊
Toshiba	😊	😊		
Powerchip				
ST	😊	😊	😊	😊
Sony	😊			
Infineon	😊	😊	😊	😊
AMD	😊	😊		😊
Elpida		😊		
TI	😊		😊	😊
Micron	😊	😊		😊
SMIC	😊	😊	😊	😊
Fujitsu				
UMC			😊	😊
Chartered			😊	😊
Winbond				😊
NEC		😊		
Inotera		😊	😊	😊

2006 Sales

\$243.2M

😊 POR = 13
 😊 DEV = 15
 😊 Demo = 15

RAIDER Booking Potential Pipeline

WLP FEOL BEOL Cu

Demo



>\$450M

DEV



>\$330M

POR



~\$180M

Operational Strategy

- **Speed/Vertical Integration**
- **Costs/Vertical Integration**
- **CIP Culture**
- **Lean implementation**
- **Productivity up 25%**
- **ISO 9001-14001**
- **Trade secrets/know how preserved**
- **Flexibility**

Product Development

Organic Growth

WLP

- Deep Via Plating
- Lead Free plating "Raptor"

SP

- Back side etch
- BEOL PR ACC chamber
- FEOL MPC Megs and Ozone
- Super Critical Cleans
- SVTC < 65 nm FEOL cleans
- High Implant Resist strip
- Bevel Edge
- CNT 32nm BEOL clean
- Leti 45nm FEOL
- Leti 45nm BEOL

SEMITOOL

• Mini-batch anneal

• ACMS

- Arbitrary wave form PS
- CFD4 Cu plating reactor
- DOB
- CNT 32nm - Plating
- Leti 45nm - Plating

ECD Cu

Other

- Auto foup cleaner
- Porous silicon
- Permalloy
- Wafer polishing

Product Development
Process Development

SEMITOOL®
Technology That Works

Operational Philosophy

- **High gross margins**
 - **Product differentiation**
 - **Vertical integration**
- **R&D productivity**
- **SG&A leverage**
 - **Common RAIDER platform benefits manufacturing and service infrastructure**

Operating Statement

Fiscal	2003	2004	2005	2006	1H07	Target*
Net Sales	\$117.0	\$139.6	\$190.4	\$243.2	\$121.4	>\$250
Gross Margin	46.5%	55.4%	50.9%	46.4%	48.7%	51-53%
R&D	15.1%	10.8%	10.4%	10.1%	11.3%	10-11%
SG&A	44.8%	36.8%	34.9%	30.3%	31.0%	25-27%
Oper. Margin	-13.4%	7.8%	5.6%	6.1%	6.3%	13-17%
EBITDA	\$(26.8)	\$16.2	\$21.8	\$24.4	\$13.9	
Shipments	\$95.9	\$173.0	\$170.0	\$235.3	\$ 124.2	
Book-to-Bill	0.8	1.4	1.0	1.1	0.7	
Headcount	701	958	1,056	1,312	1,210	

*During peak Cycles

Dollars in millions

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Technology That Works

Balance Sheet Data

	3/31/07	9/30/06
Cash & Short-term Investments	\$ 12.6	\$ 17.3
Accounts Receivable	59.7	56.6
Inventory	94.0	90.2
Total Assets	235.3	232.4
Total Long-term Debt	10.5	4.7
Shareholders' Equity	169.1	161.0
Working Capital	128.1	114.9
Current Ratio	3.4:1	2.8:1
Available Line of Credit	\$ 30.0	\$ 30.0