

TOKYO ELECTRON

1Q FY2008 Financial Announcement

July 27, 2007

Disclaimer regarding forward-looking statement

Forecast of TEL's performance and future prospects and other sort of information published are made based on information available at the time of publication. Actual performance and results may differ significantly from the forecast described here due to changes in various external and internal factors, including the economic situation, semiconductor/FPD market conditions, intensification of sales competition, safety and product quality management, and intellectual property-related risks.

Processing of numbers

For the amount listed, because fractions are rounded down, there may be the cases where the total for certain account titles does not correspond to the sum of the respective figures for account titles. Round applies for percentage calculations.



1Q FY2008 Financial Summary

1Q FY2008: April 1, 2007 - June 30, 2007
FY2008: April 1, 2007 - March 31, 2008

July 27, 2007

- All figures are rounded down to the nearest hundred million yen.
- YoY change (growth) is calculated based on figures in millions of yen.

1Q FY2008 Financial Summary

Consolidated Financial Results

(Billions of Yen)

	FY2007				FY2008	
	1Q	2Q	3Q	4Q	1Q	YoY change
Net sales	179.2	211.3	210.0	251.3	212.4	18.6%
SPE	125.9	157.9	158.8	199.8	165.7	31.7%
FPD	28.9	23.6	26.0	22.1	21.4	-26.0%
EC/CN	24.0	29.4	24.9	28.9	25.1	4.7%
Others	0.2	0.2	0.2	0.2	0.1	- 54.9%
Gross profit	54.4 (30.4%)	64.9 (30.7%)	73.9 (35.2%)	79.3 (31.6%)	76.5 (36.0%)	40.7%
SG&A expenses	28.5	32.5	31.0	36.4	33.5	17.4%
Operating income	25.8 (14.4%)	32.3 (15.3%)	42.9 (20.4%)	42.8 (17.0%)	43.0 (20.3%)	66.4%
Ordinary income	26.7	31.4	42.1	43.6	41.1	54.0%
EBIT	27.3	31.1	42.1	43.7	42.4	55.5%
Net income	16.2	20.9	26.9	27.0	26.1	60.9%
R&D Expenses	12.6	14.5	13.3	16.4	14.8	17.5%
Capital Expenditures	4.7	4.9	9.3	8.1	7.0	48.9%
Depreciation	4.2	4.5	4.8	5.1	4.6	8.9%

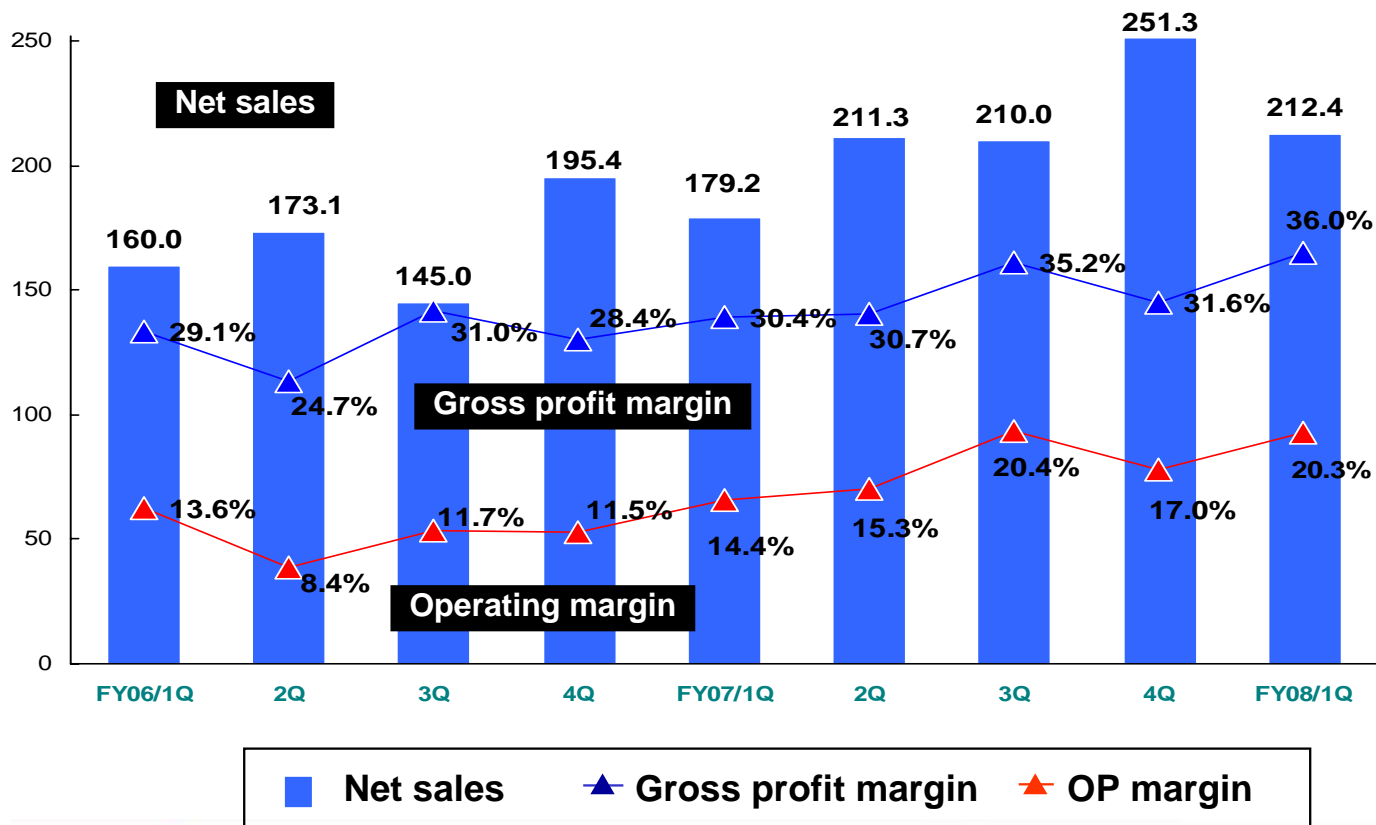
SPE: Semiconductor Production Equipment, FPD: Flat Panel Display Production Equipment,
EC: Electronic Components, CN: Computer Network



1Q FY2008 Financial Summary

Net Sales & Profit Ratio

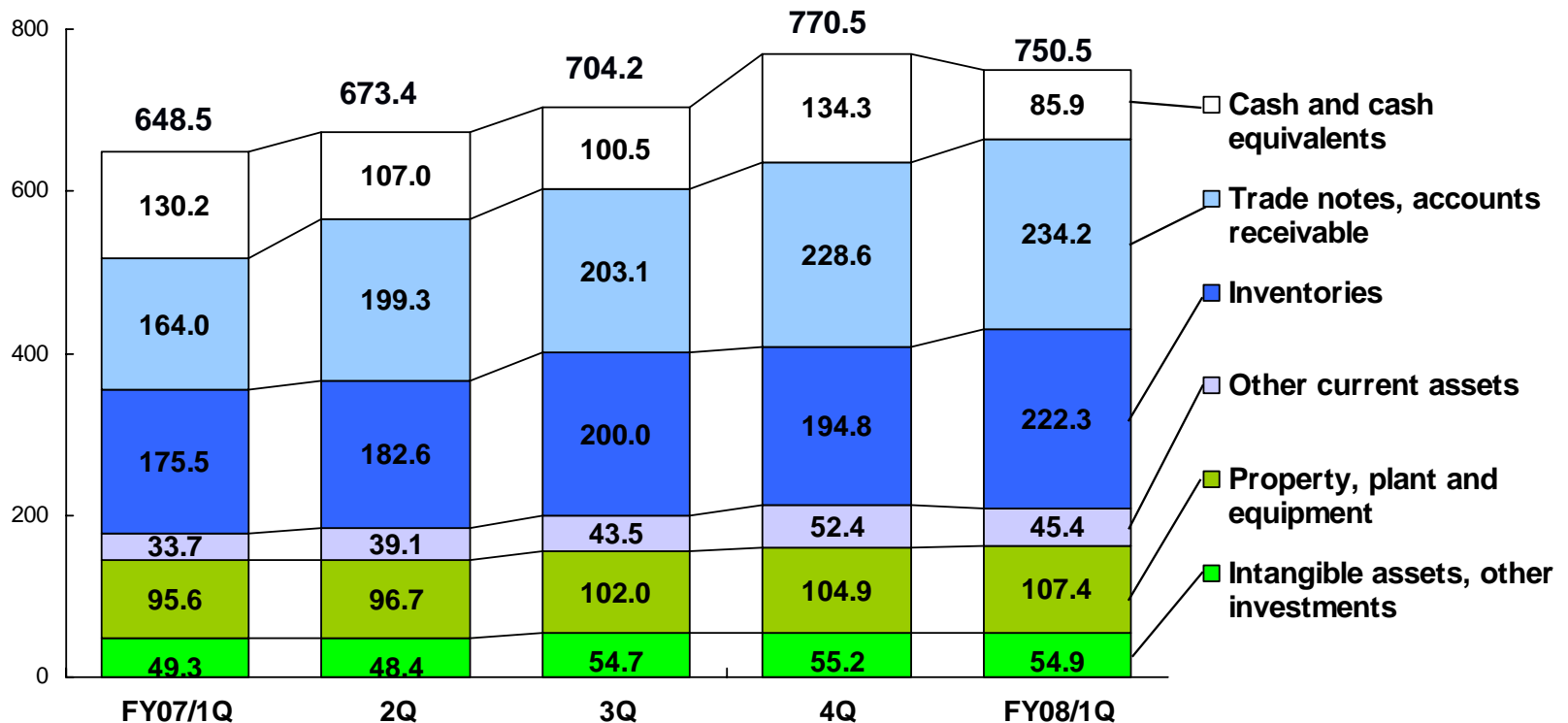
(Billions of Yen)



1Q FY2008 Financial Summary

Assets

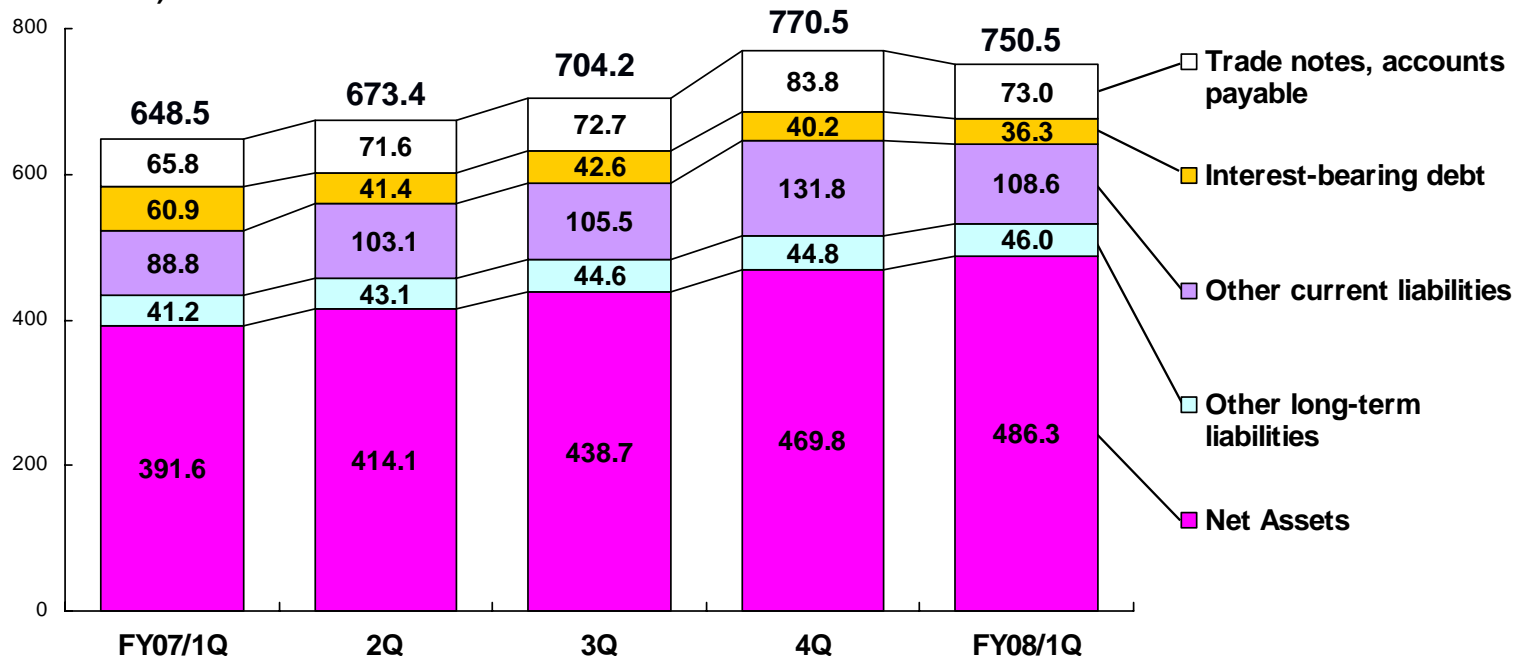
(Billions of Yen)



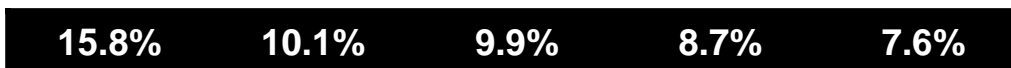
1Q FY2008 Financial Summary

Liabilities & Net Assets

(Billions of Yen)



Debt to Equity Ratio



● Equity = Net Assets – (Subscription rights to shares + Minority interest)



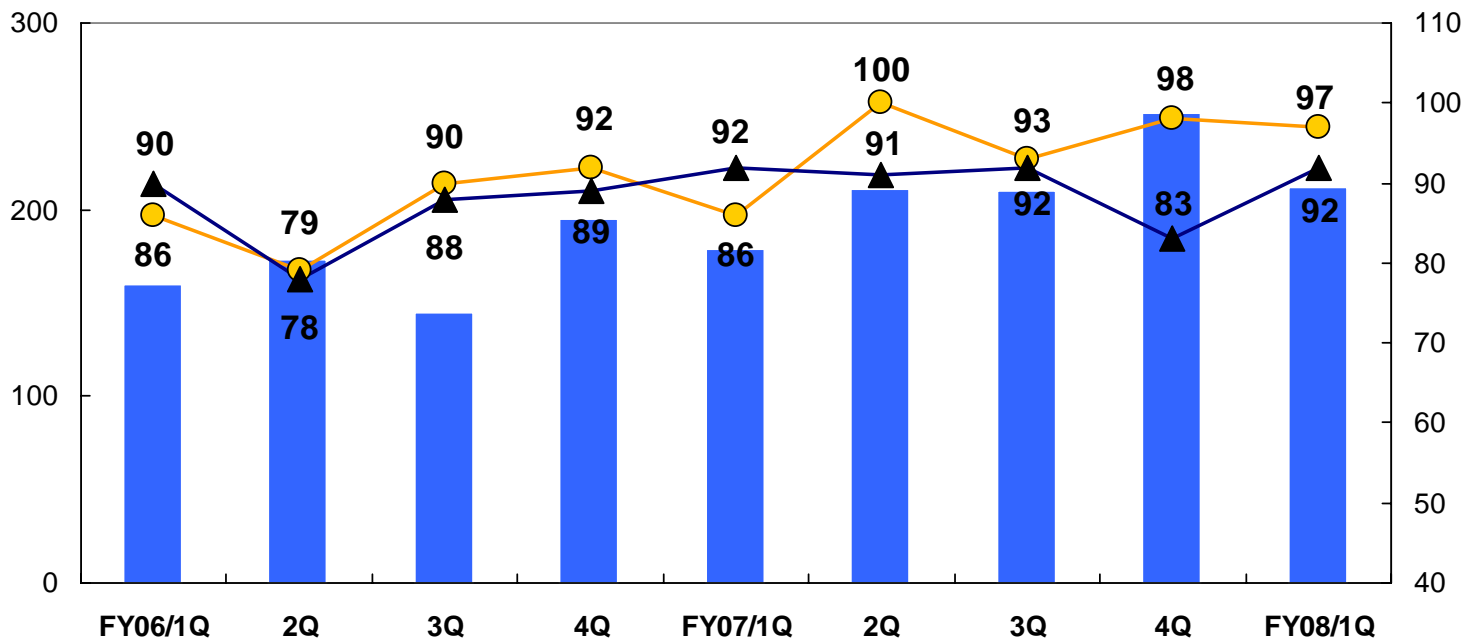
1Q FY2008 Financial Summary

Inventory Turnover and AR Turnover

■ Net sales
 ● Accounts receivable turnover
 ▲ Inventory turnover

(Billions of Yen)

(Days)



- Turnover days = Inventory or AR at the end of each quarter / 12-month moving-average sales x 365
- For calculating turnovers for 1Q/FY2006, "6 months sales (1H/FY2005) on a basis of new accounting policy x 1/2" is used as a figure for 2Q/FY2005 sales.



1Q FY2008 Financial Summary

Cash Flow

(Billions of Yen)

	FY2007					FY2008
	1Q	2Q	3Q	4Q	Total	1Q
Cash flow from operating activities	3.8	0.6	13.3	36.4	54.2	-29.5
Cash flow from investing activities	-4.2	-35.1	14.6	-0.5	- 25.2	-4.6
Cash flow from financing activities	-9.3	-18.6	- 4.6	-1.9	- 34.7	-14.2

Net increases in cash and cash equivalents	-9.7	-53.1	23.5	33.8	- 5.6	-48.4
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Cash and cash equivalents at end of term	130.2	77.0	100.5	134.3	/	85.9
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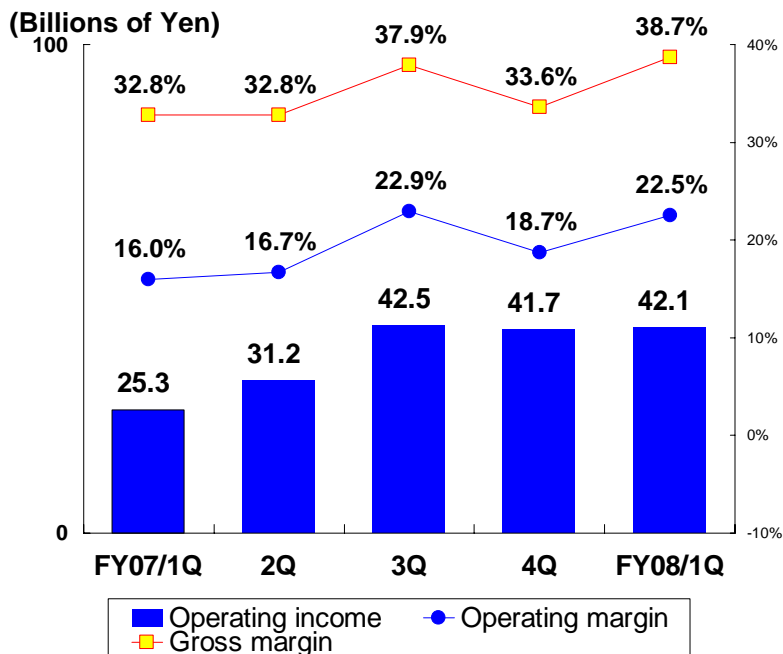


1Q FY2008 Financial Summary

Segment Information by Business Type

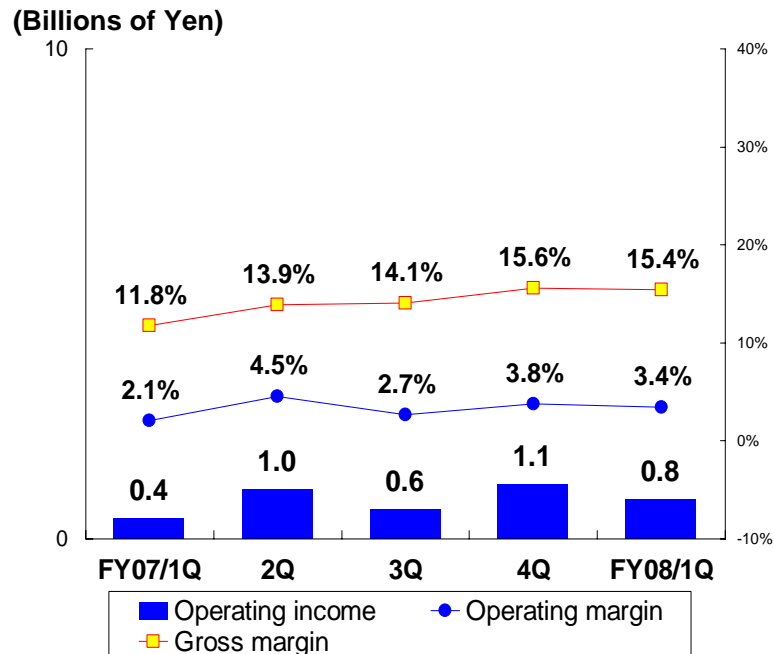
Industrial electronic equipment

(SPE, FPD, other)



Electronic components & Computer network

(Electronic components, Computer network)



- Segment gross margin is provided for reference.
- Data before FY2007 2Q is provided by previous segment definition.

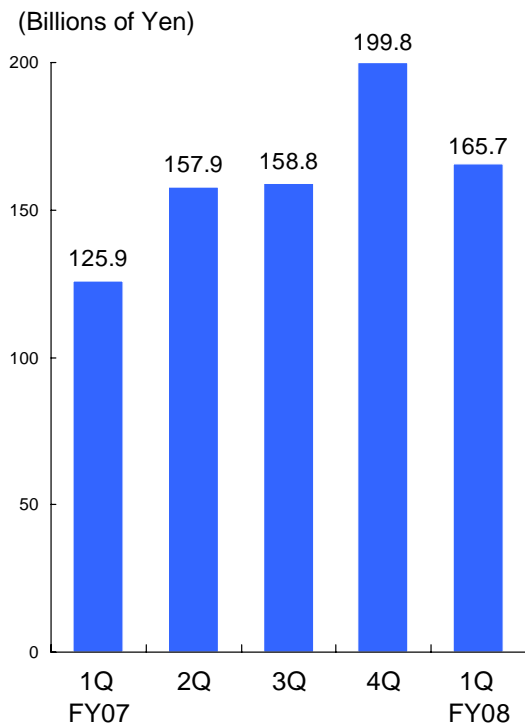


1Q FY2008 Financial Summary

Sales by Division

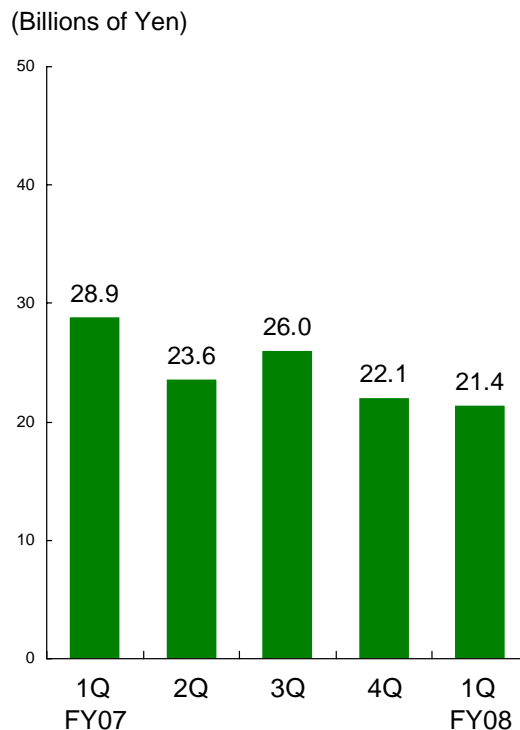
SPE Division

(Semiconductor Production Equipment)



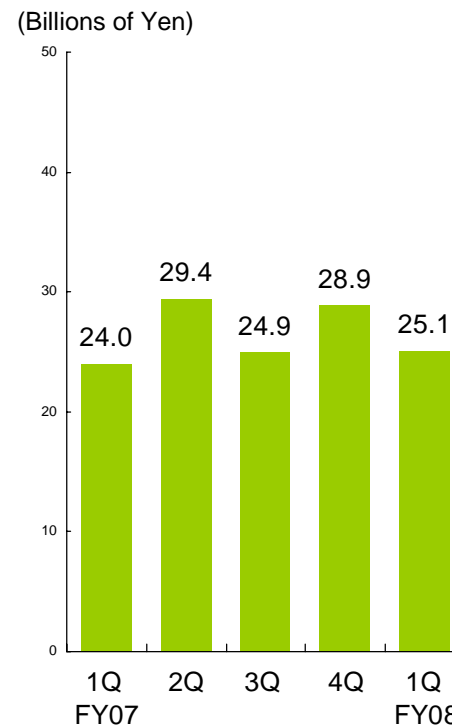
FPD Division

(FPD Production Equipment)



EC/CN Division

(Electronic components/Computer network)



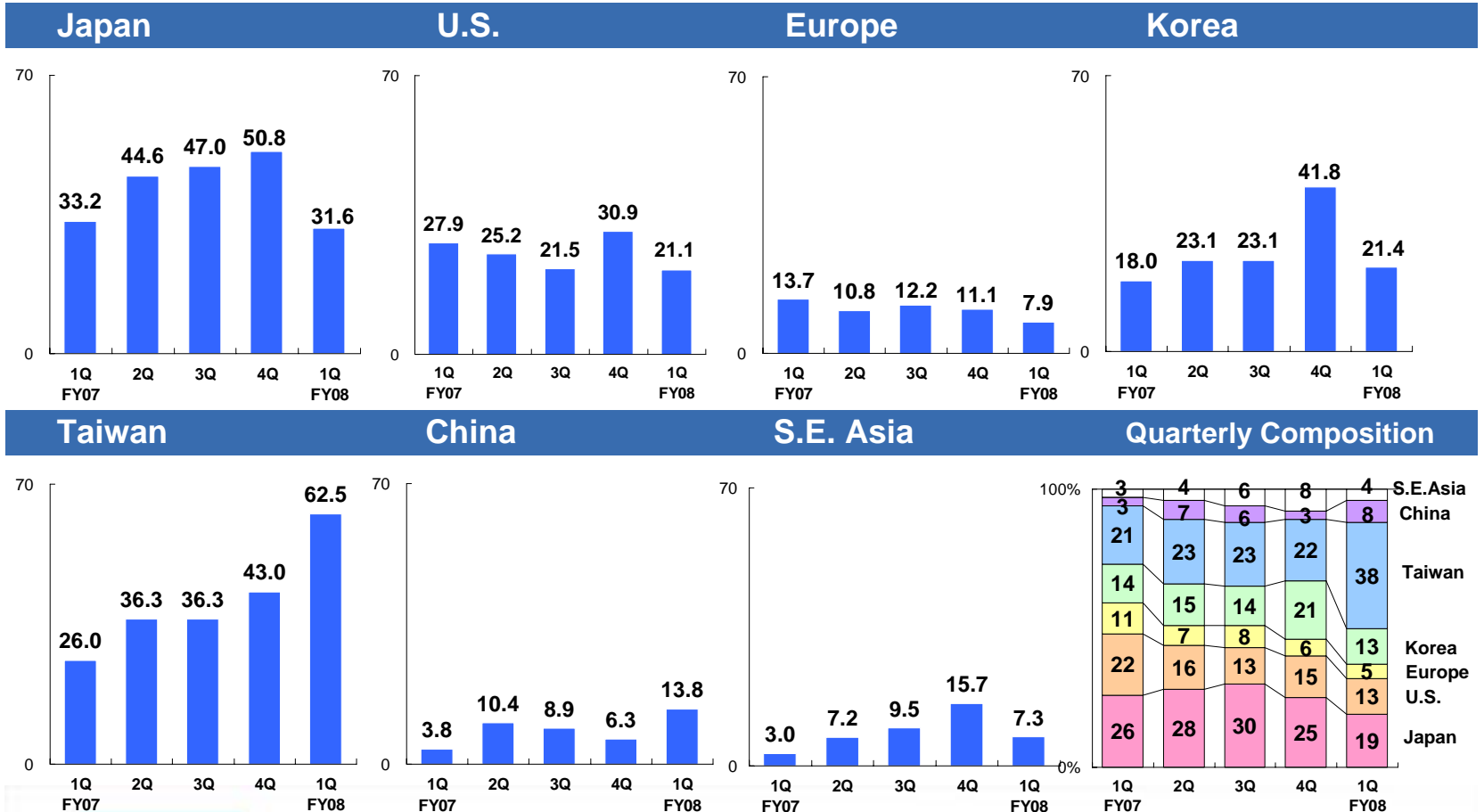
- In addition to the above 3 divisions, there is "Others" division. (1Q sales of 0.1 billion yen)



1Q FY2008 Financial Summary

SPE Sales by Region

(Billions of Yen)

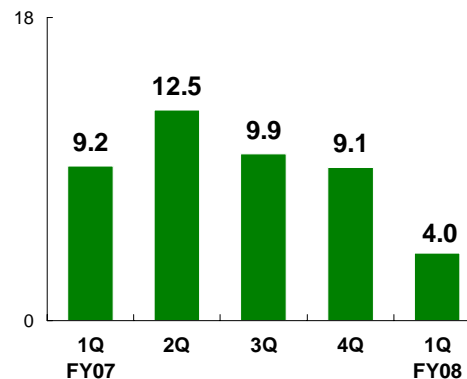
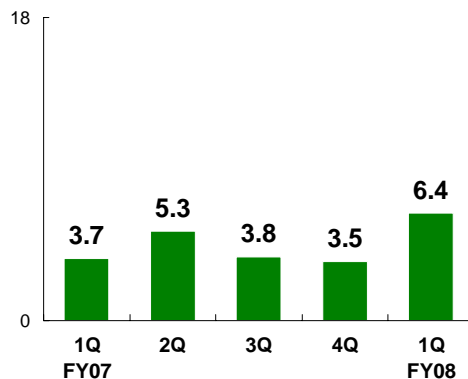
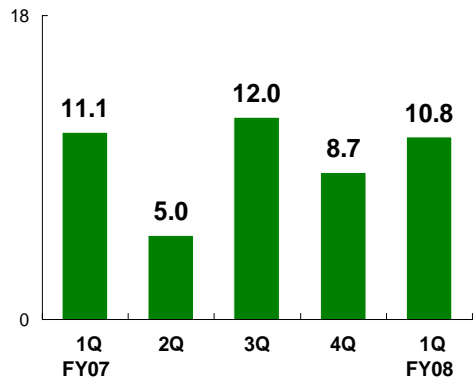


1Q FY2008 Financial Summary

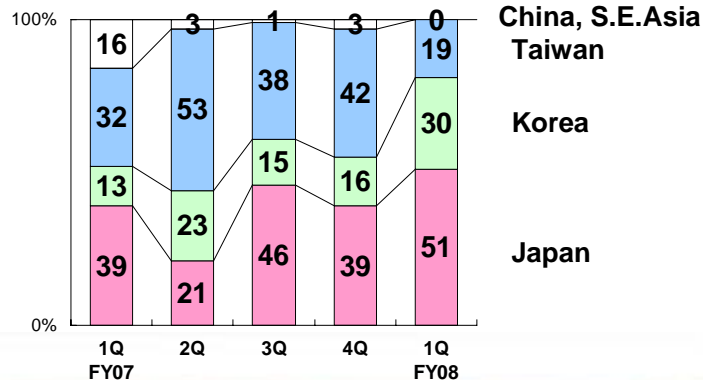
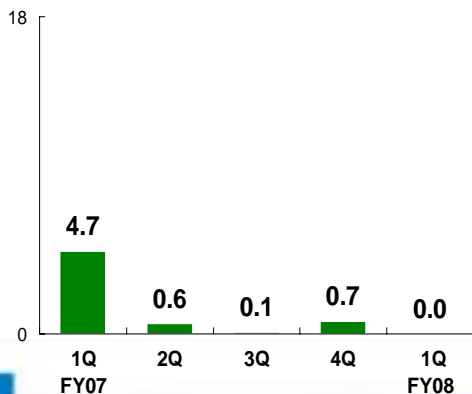
FPD Equipment Sales by Region

(Billions of Yen)

Japan Korea Taiwan

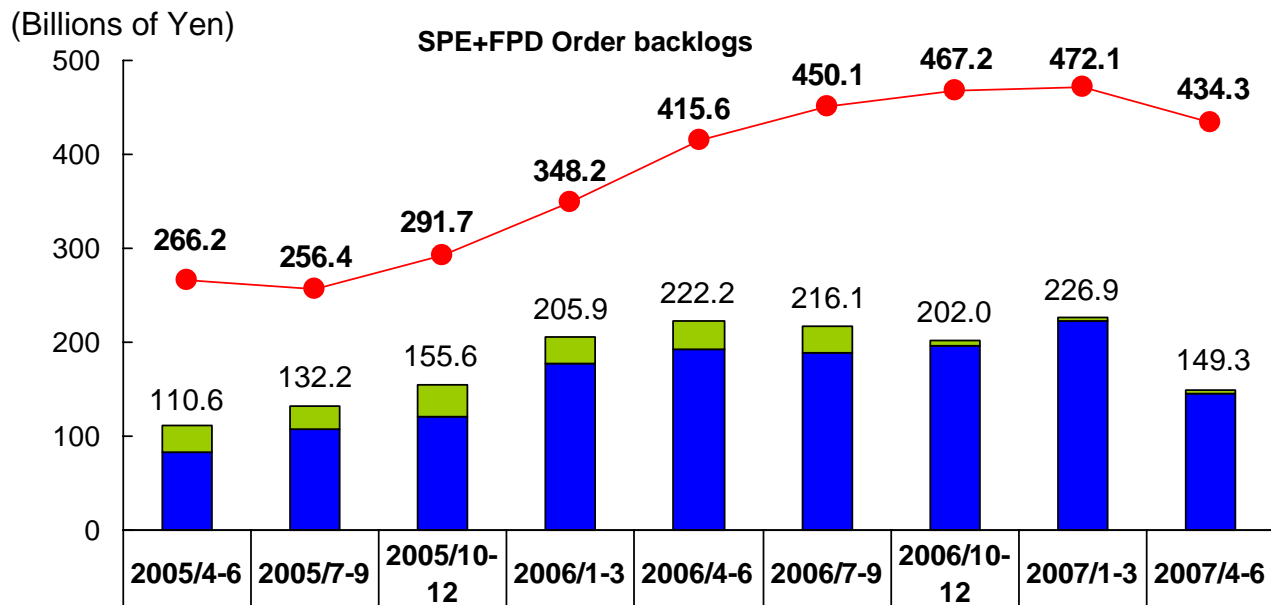


China, Southeast Asia & Other Quarterly Composition



1Q FY2008 Financial Summary

SPE+FPD Orders, Order Backlog



FPD Production Equipment	27.6	24.0	34.4	27.7	29.6	27.5	5.5	4.2	4.1
SPE	82.9	108.1	121.1	178.2	192.6	188.6	196.4	222.7	145.2
Order backlog	266.2	256.4	291.7	348.2	415.6	450.1	467.2	472.1	434.3

Order backlog breakdown

FPD	69.8	74.8	92.7	99.0	99.7	103.6	83.1	65.2	47.9
SPE	196.3	181.6	199.0	249.1	315.8	346.4	384.1	406.9	386.4

●Orders and order backlog are on a consolidated basis from 2006/1-3 quarter.



