

TOKYO ELECTRON

3Q FY2010 Financial Announcement

February 9, 2010

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/PV 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. Percentages are calculated using full amounts, before rounding.



3Q FY2010 Financial Summary

3Q FY2010: October 1, 2009 - December 31, 2009
FY2010: April 1, 2009 - March 31, 2010

February 9, 2010

- All figures are rounded down to the nearest hundred million yen.
- YoY change (growth) is calculated using full amounts, before rounding.



3Q FY2010 Financial Summary

Consolidated Financial Results

(Billions of Yen)

	3Q			1Q-3Q		
	FY09	FY10	YoY change	FY09	FY10	YoY change
Net sales	101.0	114.2	13.1%	402.3	268.1	-33.3%
SPE	57.8	76.5	32.3%	266.5	158.6	-40.5%
FPD/PVE	20.3	16.6	-18.1%	60.5	47.4	-21.7%
EC/CN	22.8	21.0	-7.9%	74.9	61.8	-17.5%
Others	0.0	0.0	14.2%	0.2	0.2	0.4%
Gross profit	27.1 (26.8%)	32.2 (28.2%)	18.9%	118.1 (29.4%)	63.1 (23.5%)	-46.6%
SG&A expenses	29.1	26.7	-8.3%	93.8	79.2	-15.6%
Operating income	-2.0 (-2.0%)	5.5 (4.8%)	7.5	24.2 (6.0%)	-16.0 (-6.0%)	-40.3
Ordinary income	-0.0	6.5	6.6	28.8	-12.6	-41.4
EBIT	-8.4	3.7	12.2	20.1	-22.5	-42.7
Net income	-7.6	-0.0	7.6	9.6	-16.2	-25.8

SPE sales considerably improved, and operating income in 3Q turned positive

In principle, export sales of Tokyo Electron's mainstay semiconductor and FPD/PV production equipment are denominated in yen. While some settlements are denominated in dollars, exchange risk is hedged as forward exchange contracts are made individually at the time of booking. Accordingly, the effect of exchange rates on profits is negligible.

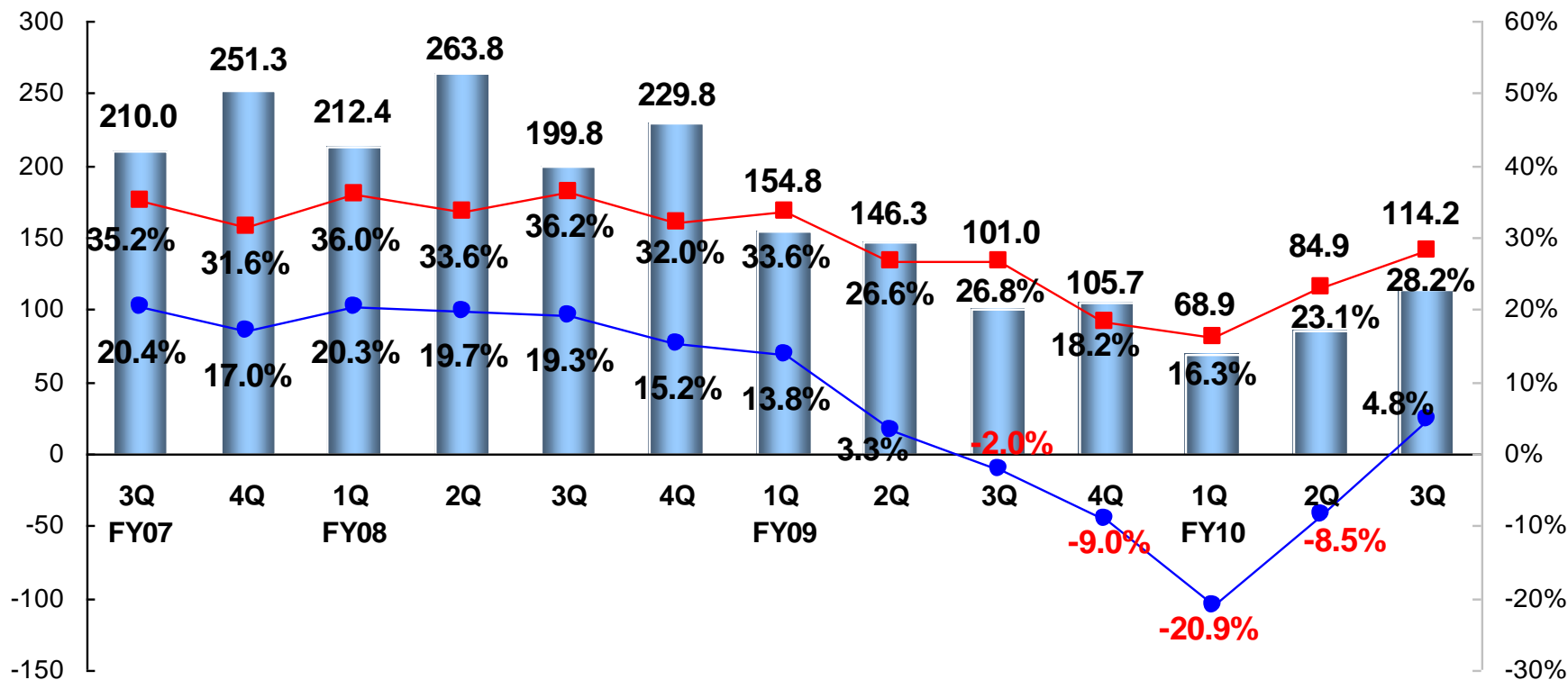
1. SPE: Semiconductor Production Equipment, FPD/PVE: Flat Panel Display and Photovoltaic Cell Production Equipment, EC/CN: Electronic Components and Computer Networks
2. Numbers shown in (): profit ratios
3. YoY changes and profit ratios are calculated using full amounts, before rounding.



3Q FY2010 Financial Summary

Net Sales & Profit Ratio

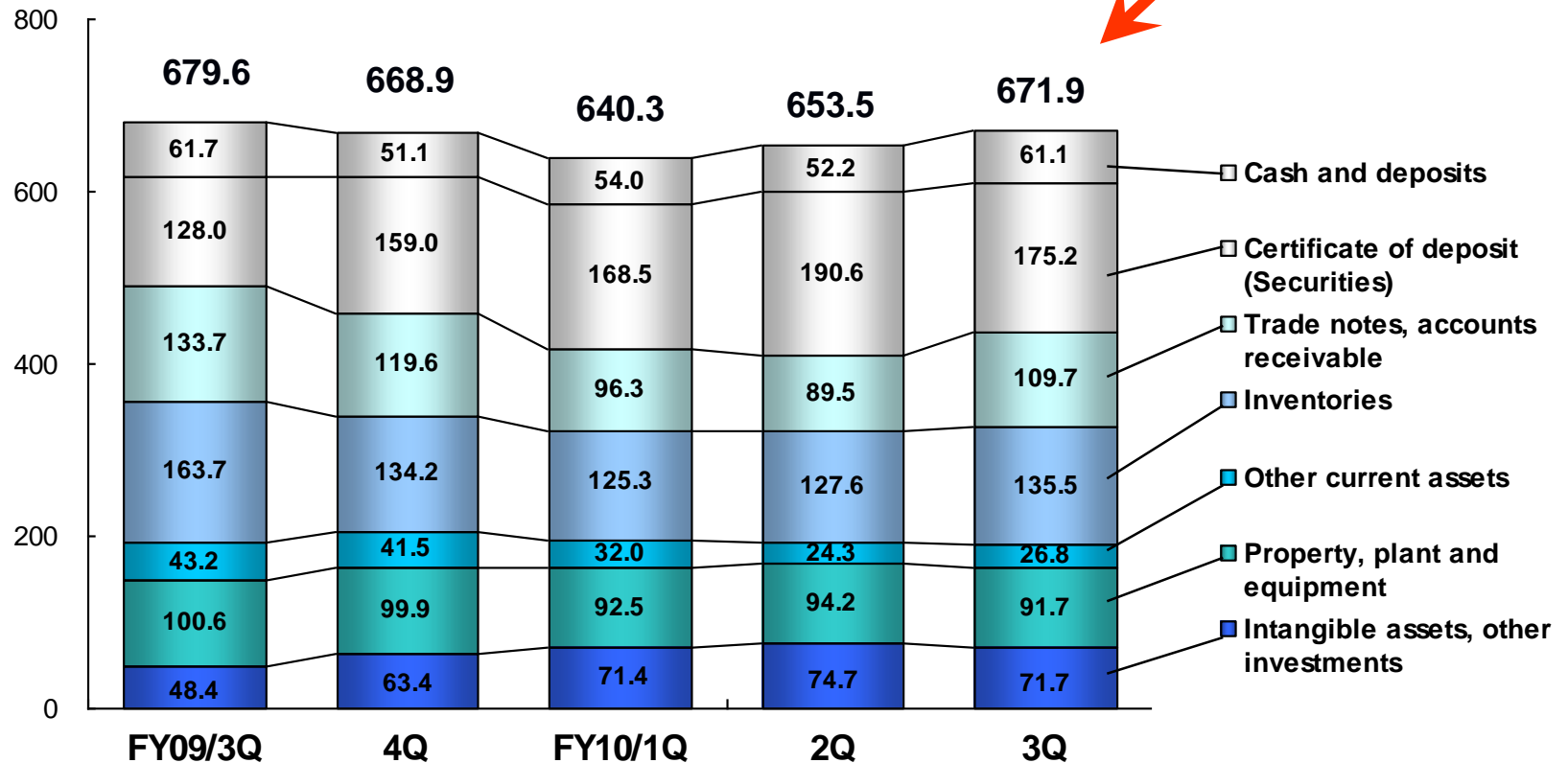
(Billions of Yen)



3Q FY2010 Financial Summary

Assets

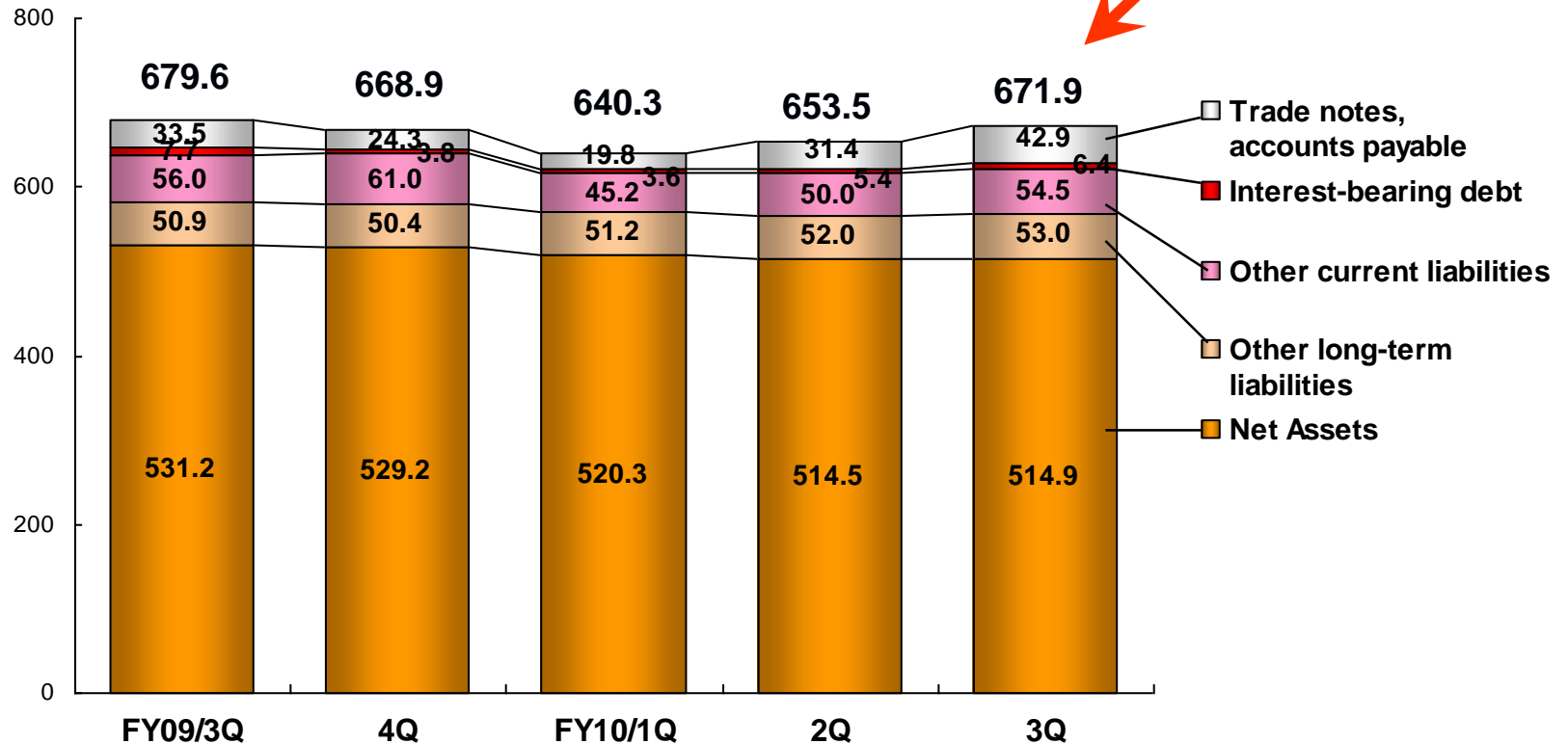
(Billions of Yen)



3Q FY2010 Financial Summary

Liabilities & Net Assets

(Billions of Yen)



Debt to Equity Ratio

1.5%

0.7%

0.7%

1.1%

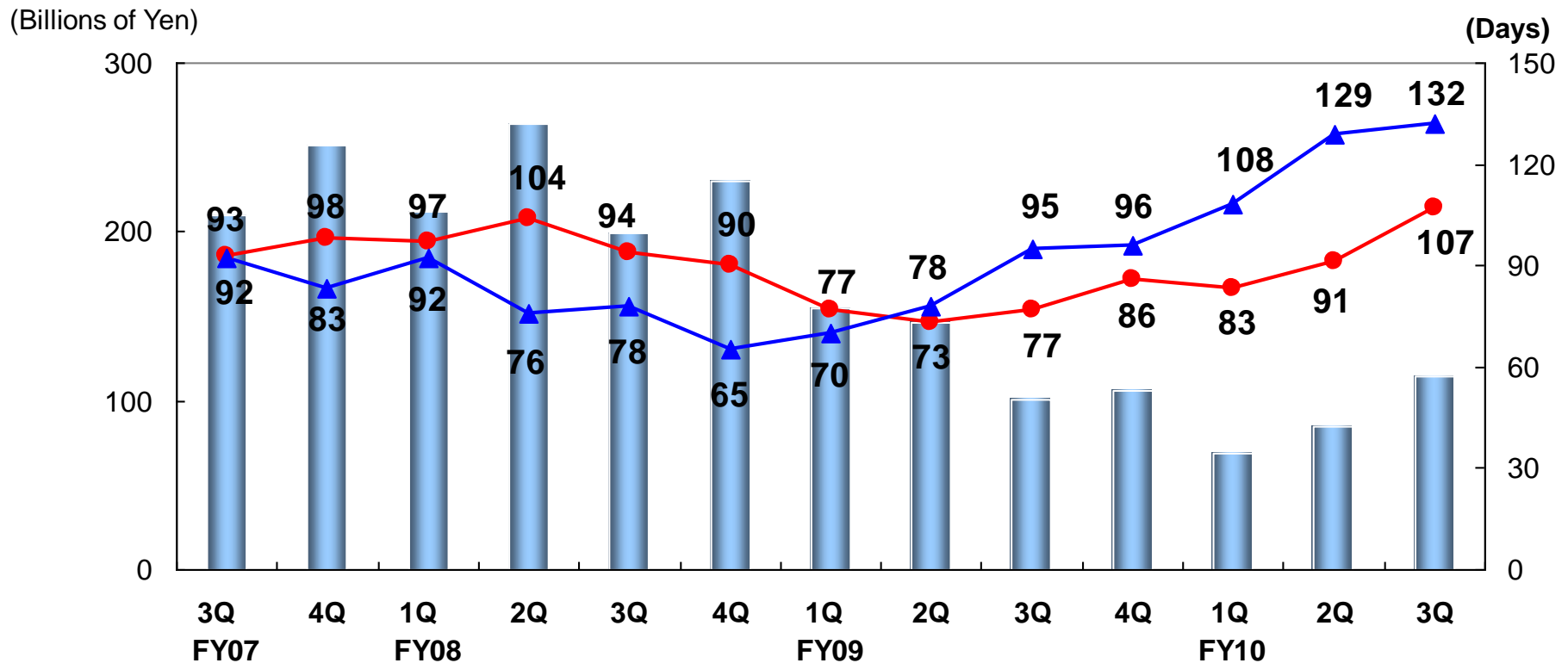
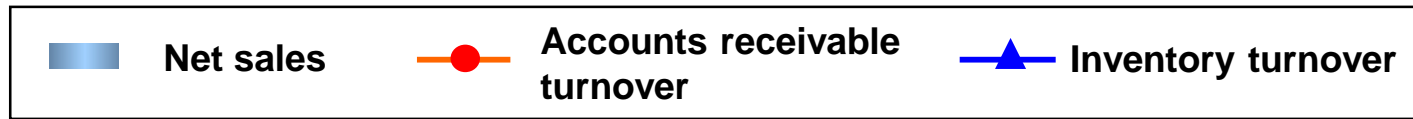
1.3%

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



3Q FY2010 Financial Summary

Inventory Turnover and AR Turnover



● Turnover days = Inventory or AR at the end of each quarter / last 12-month sales x 365



3Q FY2010 Financial Summary

Cash Flow



(Billions of Yen)

	FY2009 1Q-3Q 9 months	FY2010 1Q-3Q 9 months	FY2009 Full year
Cash flow from operating activities	50.9	34.8	81.0
Income before income taxes	20.1	-22.5	9.6
Depreciation and amortization	16.6	14.9	23.0
Increase in AP, AR and inventories	58.7	26.6	93.7
Others	-44.6	15.8	-45.4
Cash flow from investing activities	-132.8	2.6	-160.6
Payment for purchase of property, plant, equipment, etc	-12.7	-9.6	-17.7
Others (Time deposits over 3 months, etc)	-120.1	12.2	-142.8
Cash flow from financing activities	-42.0	1.0	-46.0
Increase in interest bearing debt	-28.2	2.6	-32.2
Dividends paid	-13.4	-1.4	-13.4
Others	-0.3	-0.1	-0.3
Effect of exchange rate changes on cash and cash equivalents	-1.4	0.3	-2.0
Net increase in cash and cash equivalents	-125.3	38.9	-127.6
Cash and cash equivalents at beginning of term	193.4	65.8	193.4
Cash and cash equivalents at end of term	68.1	104.8	65.8
Reference; Cash and deposits at end of term (certificate of deposits included)	189.7	236.3	210.1



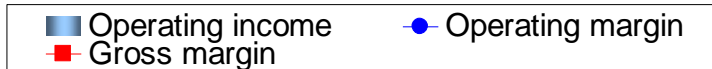
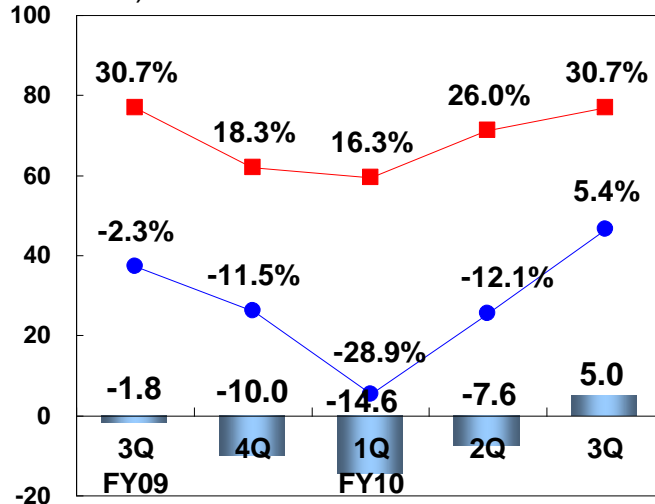
3Q FY2010 Financial Summary

Segment Information by Business Type

Industrial Electronic Equipment

(SPE,FPD/PVE, other)

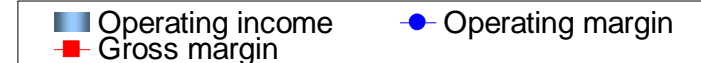
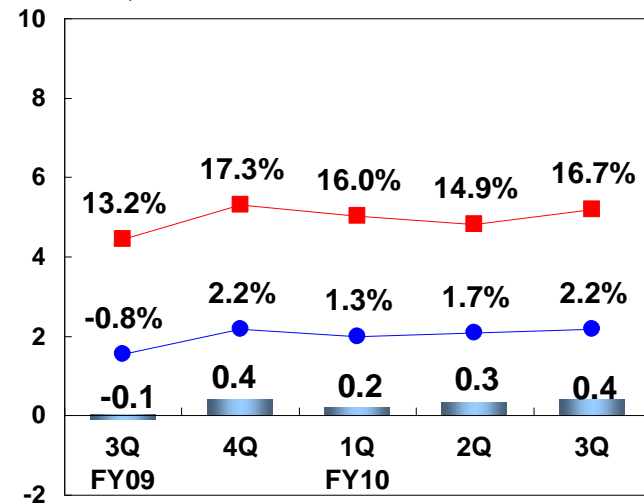
(Billions of Yen)



Electronic Components & Computer Networks

(Semiconductor products, other electronic components, computer systems and networks, software)

(Billions of Yen)



● Segment gross margin is provided for reference.



3Q FY2010 Financial Summary

Sales by Division

SPE Division

(Semiconductor Production Equipment)

FPD/PVE Division

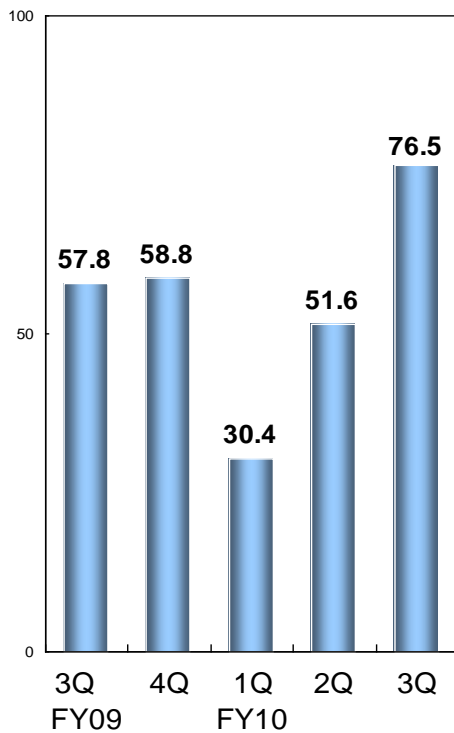
(FPD/PV Production Equipment)

EC/CN Division

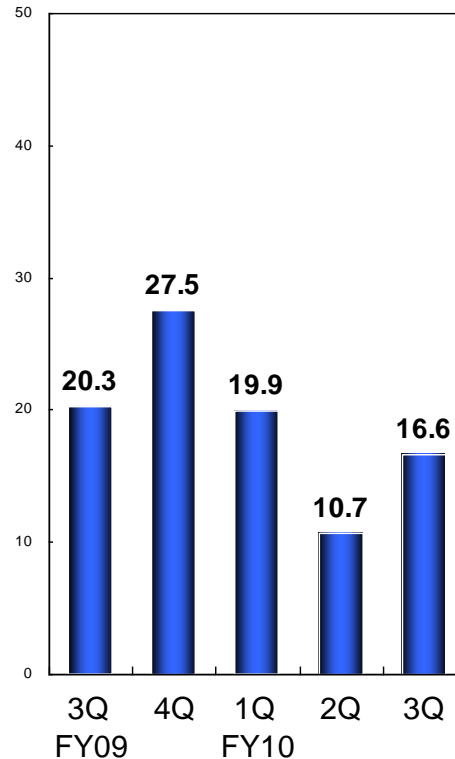
(Electronic Components, Computer Networks)

Composition

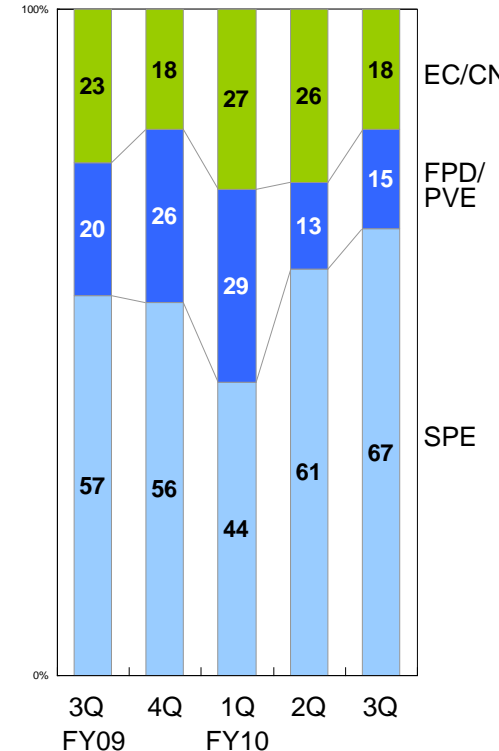
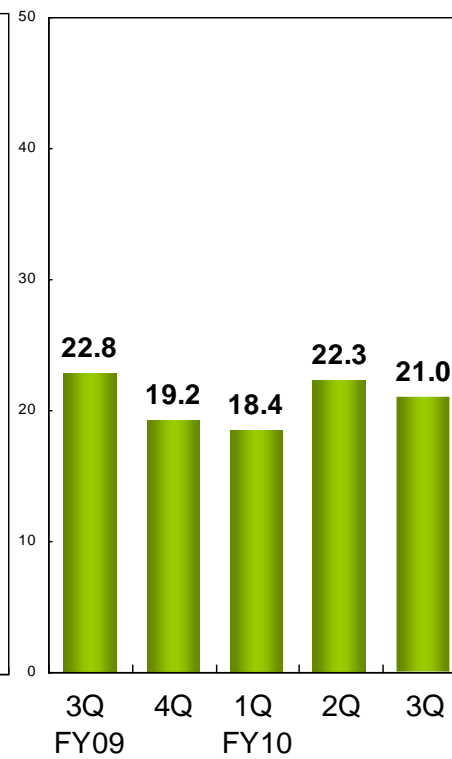
(Billions of Yen)



(Billions of Yen)



(Billions of Yen)



● In addition to the above 3 divisions, there is "Others" division. (FY10/3Q sales of 60 million yen)

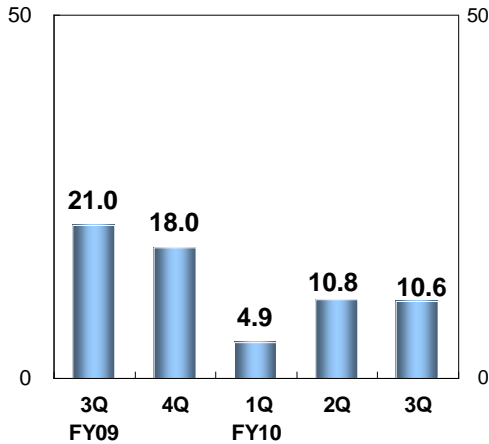


3Q FY2010 Financial Summary

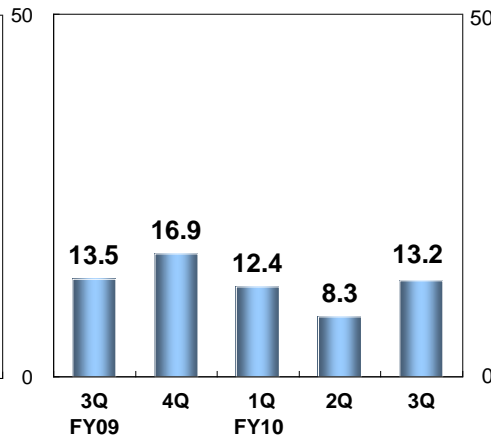
SPE Sales by Region

(Billions of Yen)

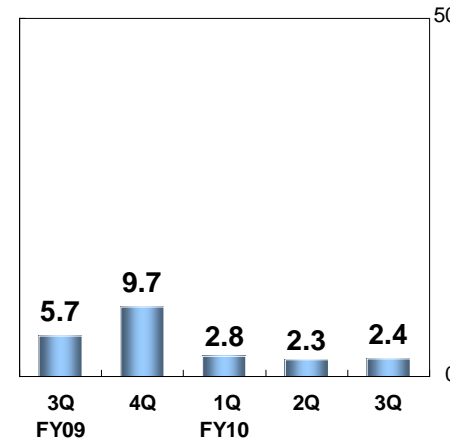
Japan



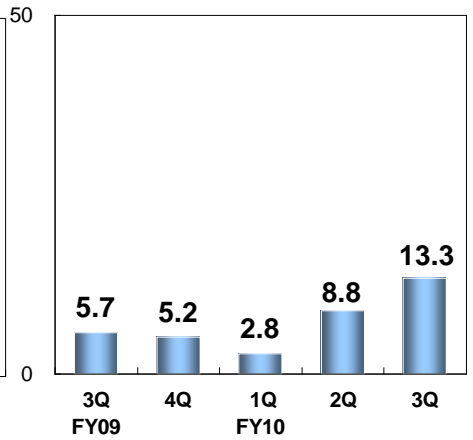
U.S.



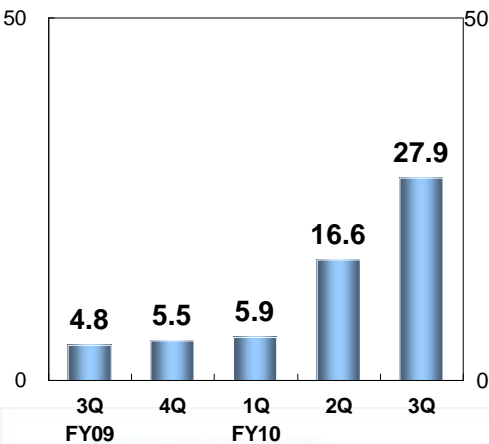
Europe



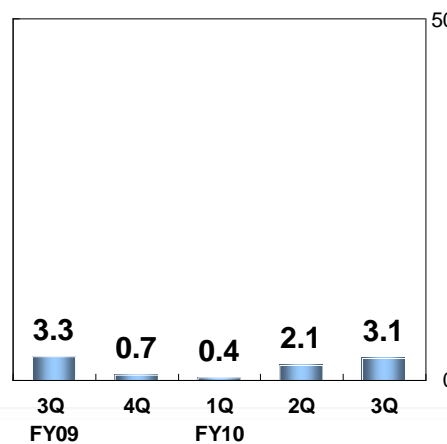
Korea



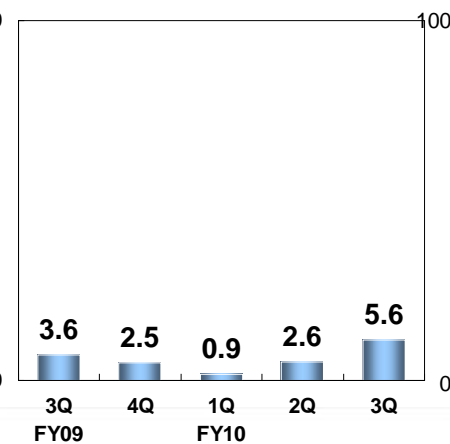
Taiwan



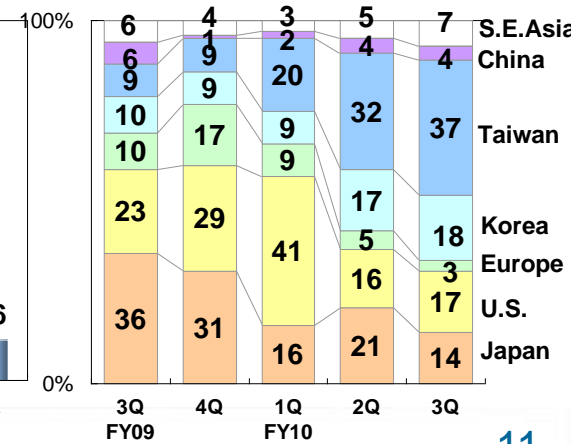
China



S.E.Asia



Regional Composition

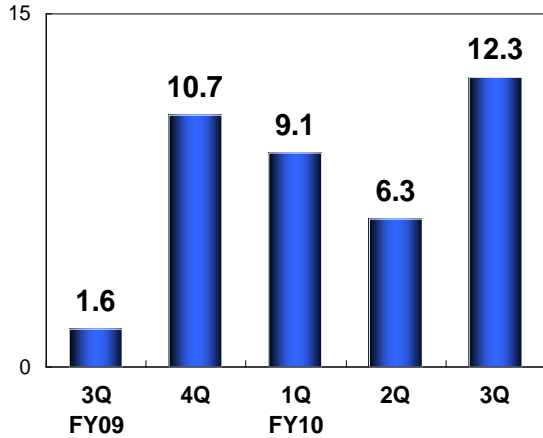


3Q FY2010 Financial Summary

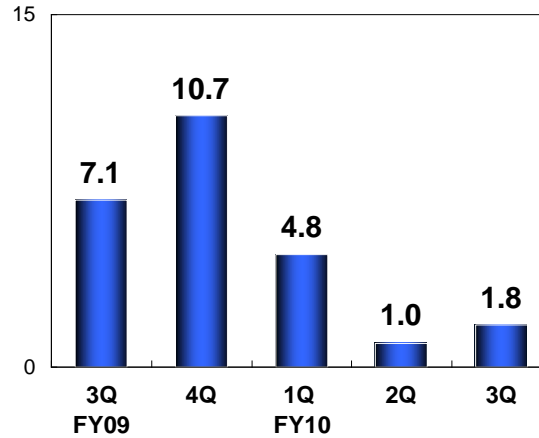
FPD/PVE Sales by Region

(Billions of Yen)

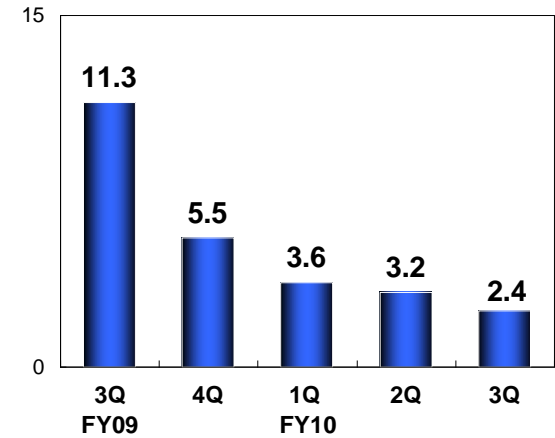
Japan



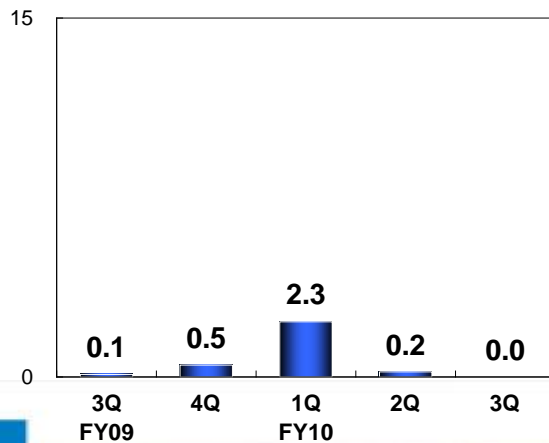
Korea



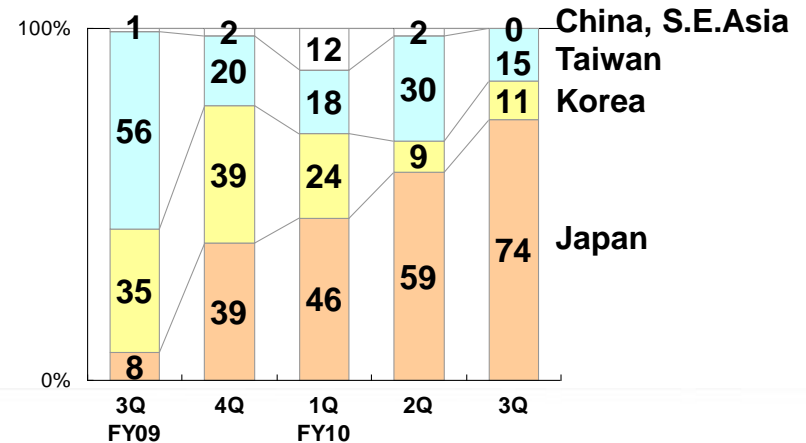
Taiwan



China, Southeast Asia & Other



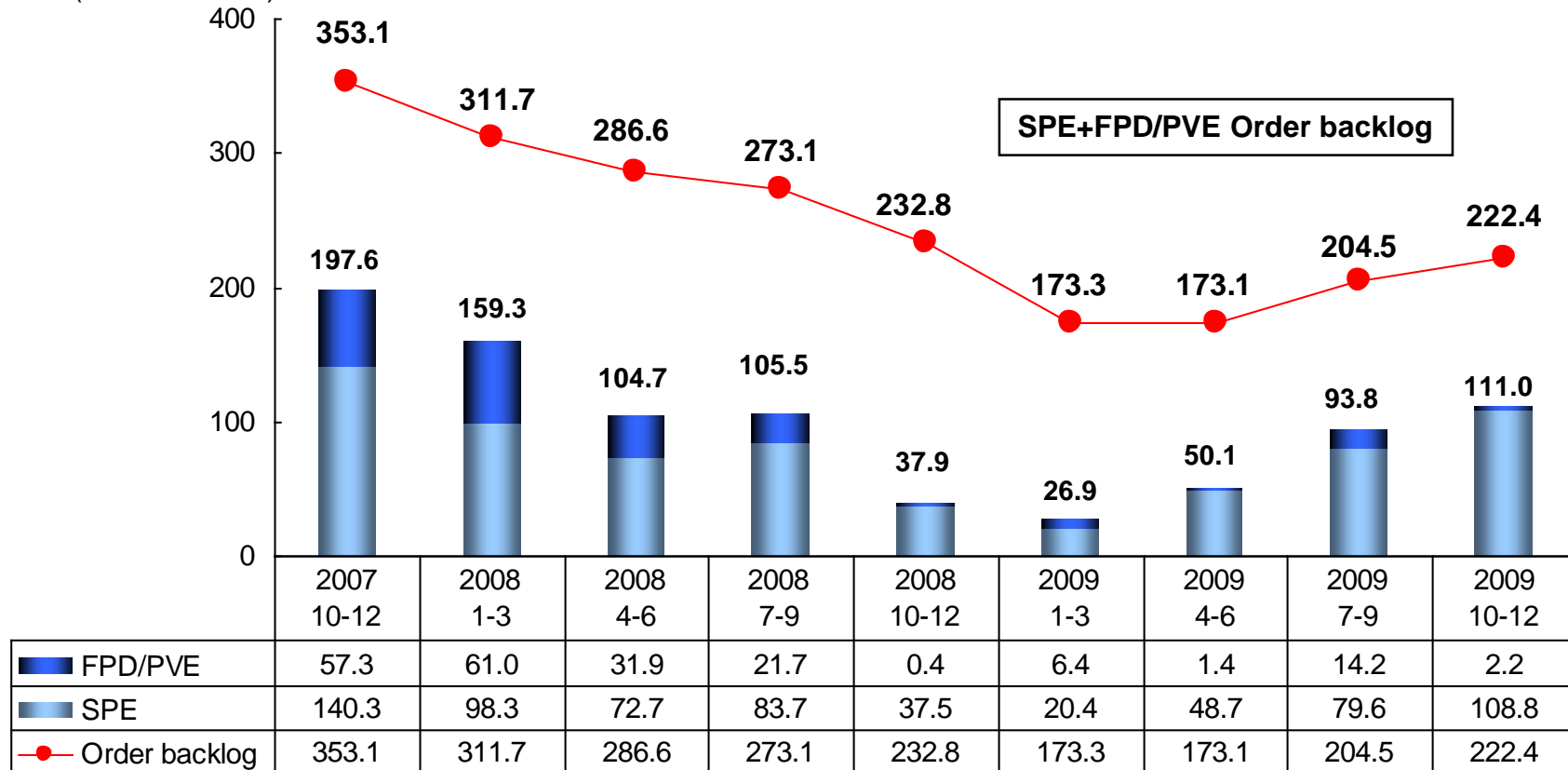
Regional Composition



3Q FY2010 Financial Summary

SPE+FPD/PVE Orders, Order Backlog

(Billions of Yen)



Order backlog breakdown

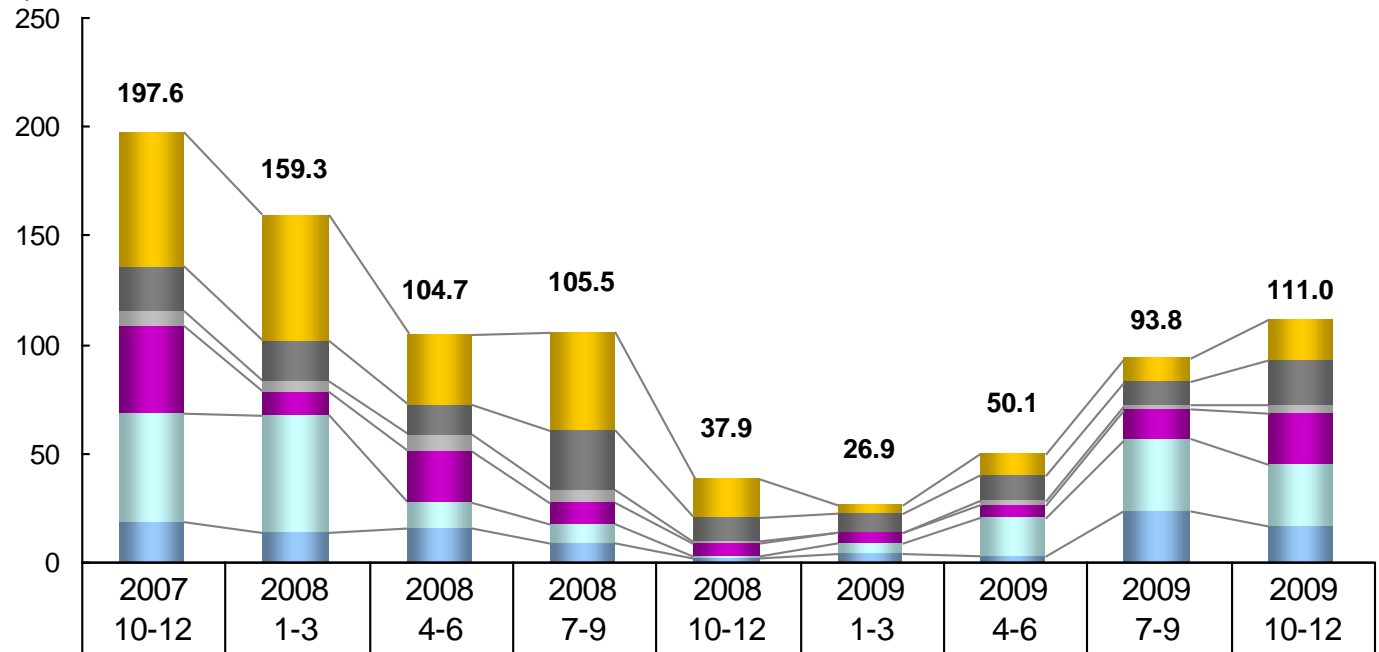
FPD/PVE	80.3	127.1	141.7	140.6	120.6	99.5	81.0	84.4	70.0
SPE	272.7	184.6	144.8	132.5	112.2	73.7	92.0	120.0	152.3



3Q FY2010 Financial Summary

SPE+FPD/PVE Orders by Region

(Billions of Yen)



	2007 10-12	2008 1-3	2008 4-6	2008 7-9	2008 10-12	2009 1-3	2009 4-6	2009 7-9	2009 10-12
■ Japan	61.5	57.4	31.8	44.4	17.3	4.6	10.1	10.2	18.1
■ U.S.	20.4	18.4	14.3	28.1	10.4	8.2	11.8	11.0	20.2
■ Europe	7.3	4.9	7.9	5.9	1.5	0.1	1.9	2.2	4.5
■ Korea	39.9	11.3	22.8	9.0	5.6	5.1	5.6	13.7	23.4
■ Taiwan	49.8	53.4	12.1	8.8	1.2	4.5	17.5	33.1	28.4
■ China, Southeast Asia & Others	18.5	13.6	15.6	9.1	1.7	4.1	3.0	23.4	16.3



3Q FY2010 Financial Summary

FY2010 Financial Estimates

(Revised on Jan.27)

(Billions of yen)

	FY2009	FY2010E				
		1H (actual)	2H (revised)	Full year (revised)	Increase/ decrease*	YoY change
Net sales	508.0	153.8	256.2	410.0	+50.0	-19%
SPE	325.3	82.1	176.9	259.0	+50.0	-20%
FPD/PVE	88.1	30.7	38.3	69.0	0.0	-22%
EC/CN	94.2	40.7	41.1	81.8	0.0	-13%
Others	0.3	0.2	0.0	0.2	0.0	-48%
Operating income	14.7 (2.9)	-21.6 (-14.0)	7.6 (3.0)	-14.0 (-3.4)	+21.0	-
Ordinary income	20.5 (4.0)	-19.2 (-12.5)	9.2 (3.6)	-10.0 (-2.4)	+21.5	-
Unusual or infrequent gain/loss	-10.9	-7.0	-3.0	-10.0	-3.0	-
EBIT	9.6 (1.9)	-26.2 (-17.1)	6.2 (-2.4)	-20.0 (-4.9)	+18.5	-
Net income	7.5 (1.5)	-16.1 (-10.5)	-0.9 (-0.4)	-17.0 (-4.1)	+10.0	-

*increase/decrease from the previous estimates announced on Oct 30.

Revised up forecast due to increase in SPE sales

In principle, export sales of Tokyo Electron's mainstay semiconductor and FPD/PV production equipment are denominated in yen. While some settlements are denominated in dollars, exchange risk is hedged as forward exchange contracts are made individually at the time of booking. Accordingly, the effect of exchange rates on profits is negligible.

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2. Numbers shown in (): profit ratios
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3Q FY2010 Financial Summary

Net Sales, Operating Income, Operating Margin

(Billions of Yen)

