

TOKYO ELECTRON

3Q FY2007 Financial Announcement

February 6, 2007

Disclaimer regarding forward-looking statements

Forecast of TEL's performance and future prospects and other published information are made based on information available at the time of publication. Actual performance and results may differ significantly from forecasts 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. Rounding applies for percentage calculations.



TOKYO ELECTRON

3Q FY2007 Financial Summary

3Q FY2007: October 1, 2006 - December 31, 2006
FY2007: April 1, 2006 - March 31, 2007

February 6, 2007

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

3Q FY2007 Financial Summary

Consolidated Financial Results

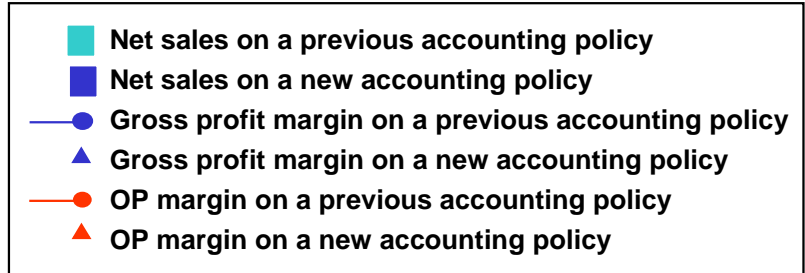
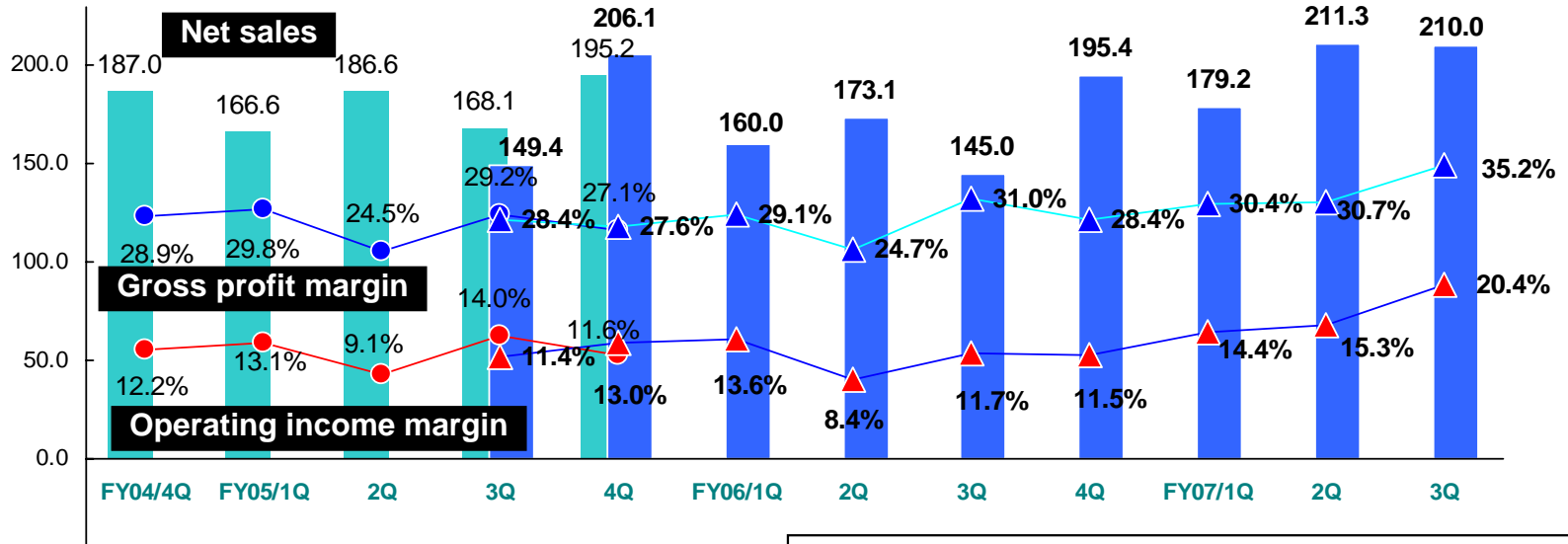
(Billions of Yen)

| | FY2006 | | FY2007 | | | |
|--------------------------|-------------------------------|--------------------------------|-------------------------------|---------------|--------------------------------|---------------|
| | 3Q | 1Q-3Q | 3Q | YoY change | 1Q-3Q | YoY change |
| Net Sales | 145.0 | 478.1 | 210.0 | 45% | 600.6 | +26% |
| SPE | 104.5 | 343.8 | 158.8 | +52% | 442.7 | +29% |
| FPD | 16.6 | 59.7 | 26.0 | +56% | 78.5 | +32% |
| CN | 3.2 | 11.5 | 3.8 | +17% | 12.3 | +6% |
| EC | 20.2 | 62.1 | 21.1 | +4% | 66.1 | +6% |
| Others | 0.2 | 0.9 | 0.2 | -8% | 0.8 | -10% |
| Gross Profit | 44.9 (30.1%) | 134.1 (28.1%) | 73.9 (35.2%) | +65% | 193.3 (32.2%) | +44% |
| SG&A Expenses | 27.9 | 80.9 | 31.0 | +3.0 | 92.1 | +11.2B |
| Operating Income | 16.9 (11.7%) | 53.2 (11.1%) | 42.9 (20.4%) | +25.9B | 101.1 (16.8%) | +47.9B |
| Ordinary Income | 16.9 | 53.7 | 42.1 | +25.1B | 100.3 | +46.6B |
| EBIT | 16.9 | 53.5 | 42.1 | +25.1B | 100.6 | +47.0B |
| Net Income | 10.1 | 34.1 | 26.9 | +16.8B | 64.2 | +30.0B |
| R&D | 12.1 | 34.1 | 13.3 | +1.1B | 40.4 | +6.3B |
| Capex | 3.5 | 9.9 | 9.3 | +5.7B | 18.9 | +8.9B |
| Depreciation | 4.8 | 14.0 | 4.8 | -0.0B | 13.6 | -0.4B |

3Q FY2007 Financial Summary

Quarterly Net Sales & Profit Ratio

(Billions of Yen)



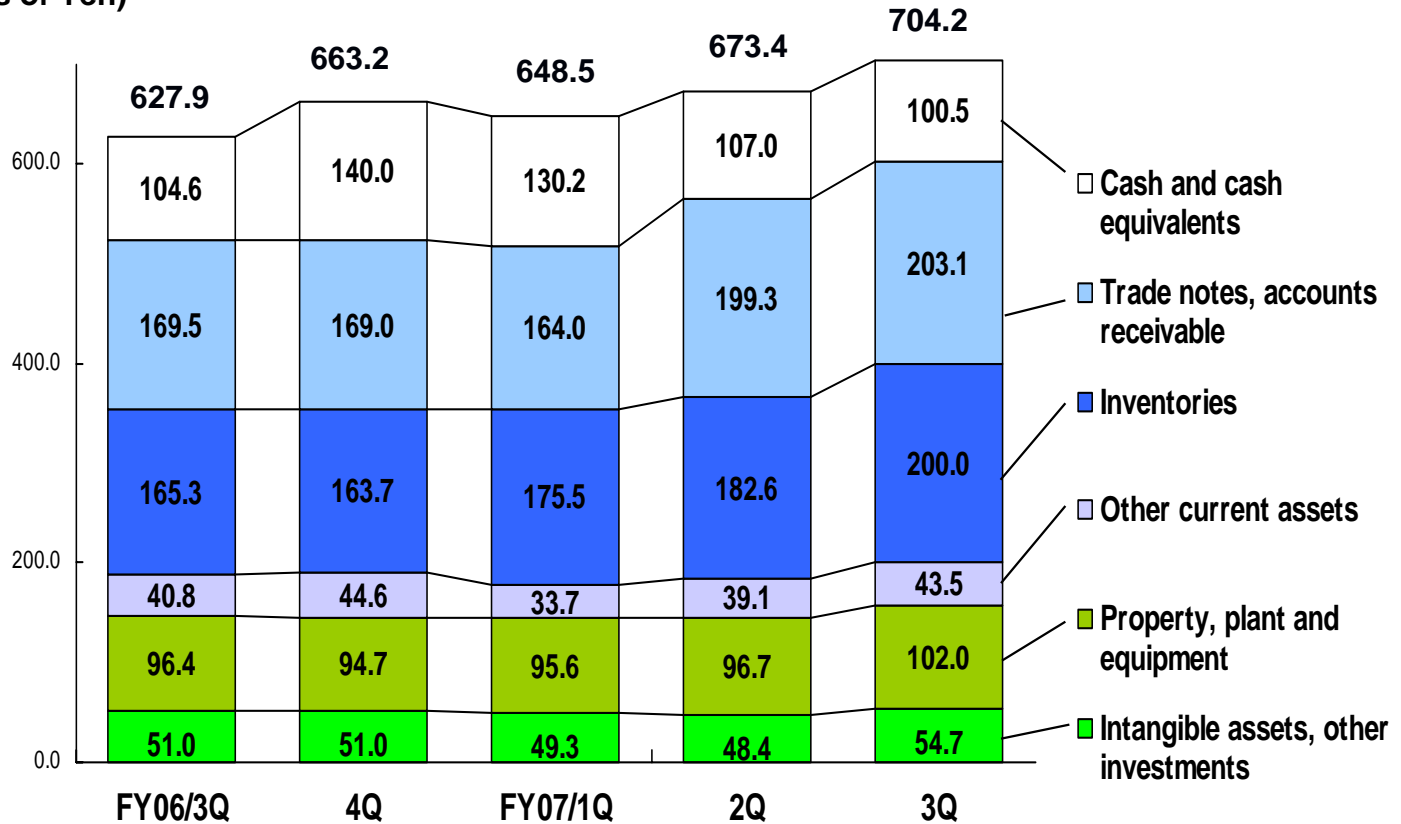
- Previous policy : Shipment base
- New policy : Confirmation of set up & testing base, and Warranty reserve 4



3Q FY2007 Financial Summary

Assets

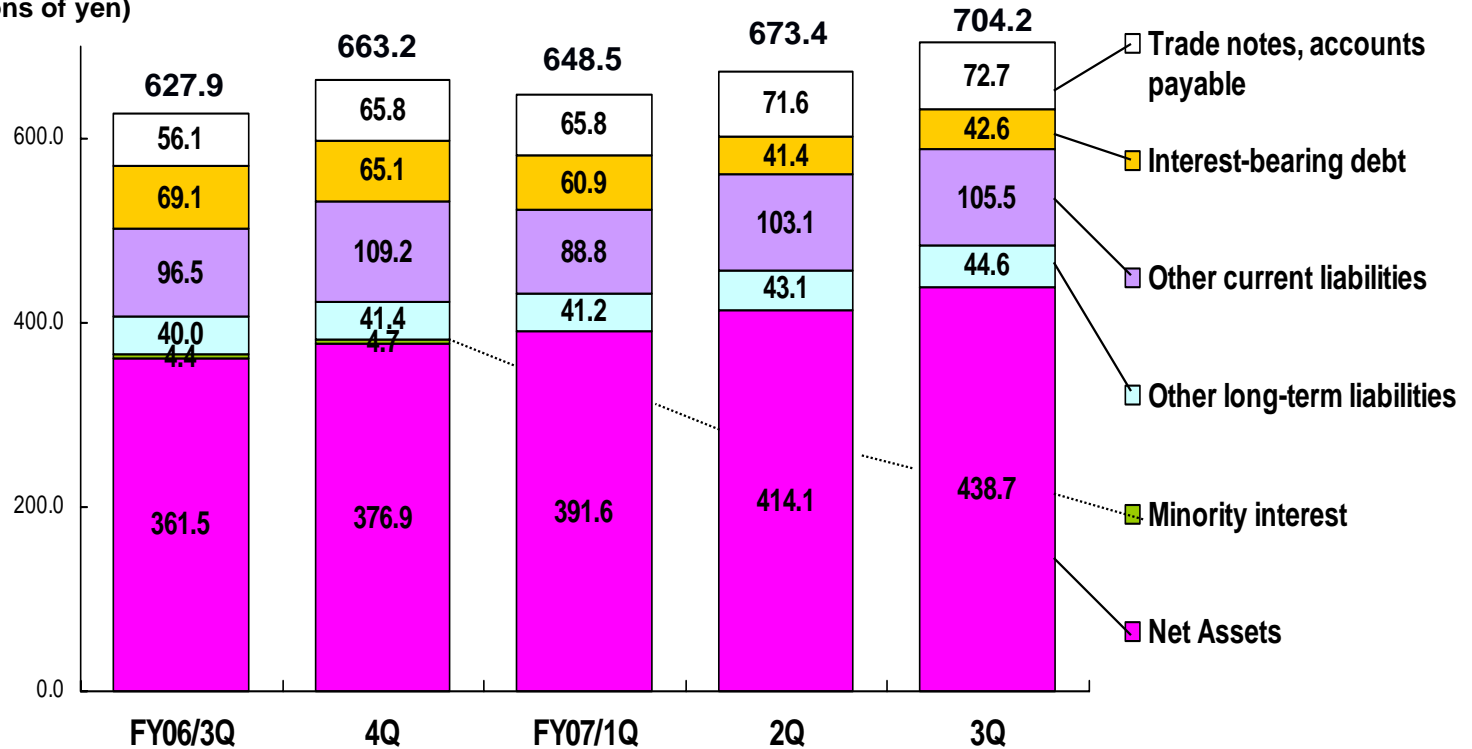
(Billions of Yen)



3Q FY2007 Financial Summary

Liabilities & Net Asset

(Billions of yen)



Debt to Equity Ratio

19.1%

17.3%

15.8%

10.1%

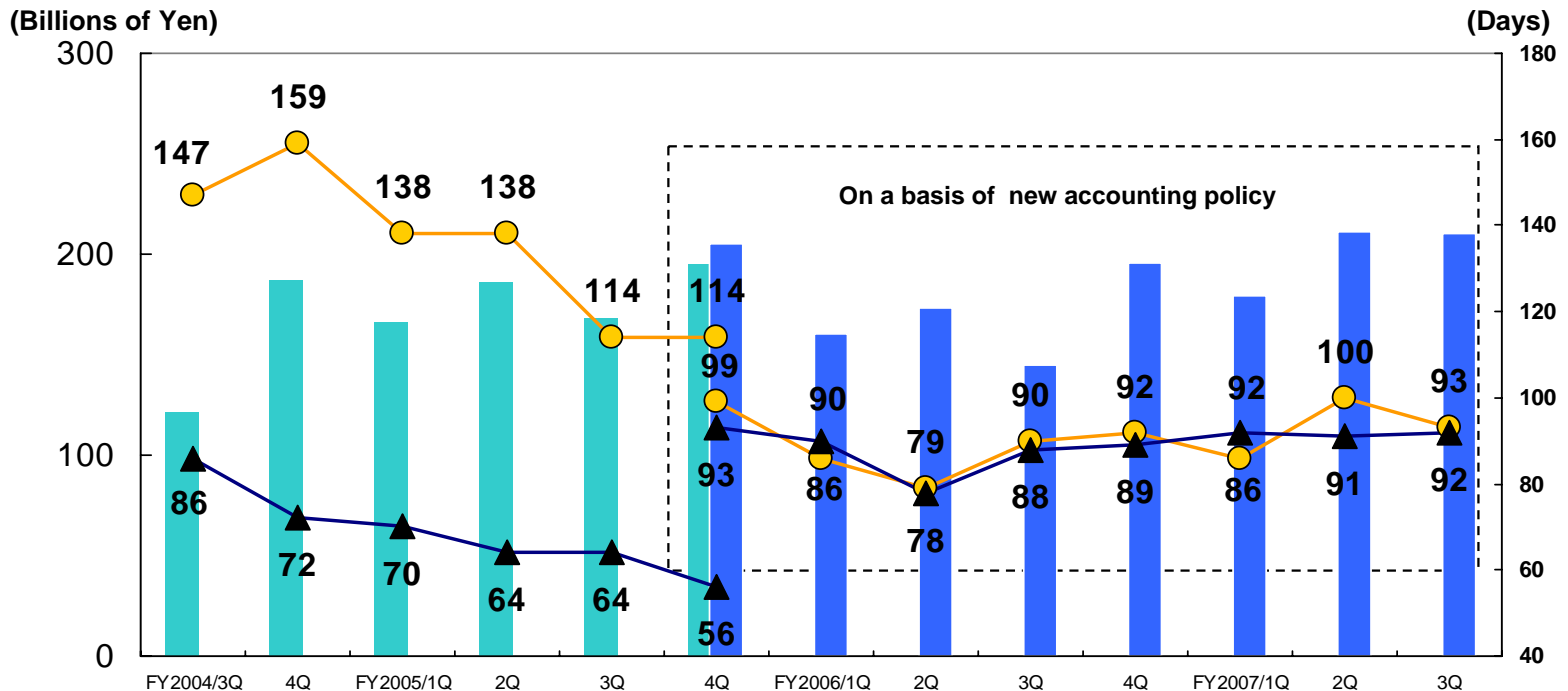
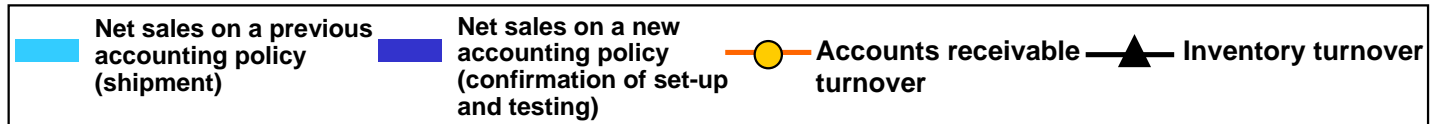
9.9%

- FY2007 : Total Owners' equity = Net Asset – (Subscription rights to shares + Minority interests)
- FY2006 : Shareholders' equity shown as Net Asset.



3Q FY2007 Financial Summary

Inventory Turnover and AR Turnover



- 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.



3Q FY2007 Financial Summary

Cash Flow

 (Billions of Yen)

| | FY2006 | FY2007 | |
|--|-----------------|--------------|-----------------|
| | 1Q-3Q (9 month) | 3Q (3 month) | 1Q-3Q (9 month) |
| Cash flow from operating activities | 37.5 | 13.3 | 17.8 |
| Cash flow from investing activities | -7.9 | 14.6 | -24.7 |
| Cash flow from financing activities | -39.8 | -4.6 | -32.7 |
| Effect of exchange rate changes on cash and cash equivalents | 0.4 | 0.1 | 0.2 |
| Net increases in cash and cash equivalents | -10.7 | 23.5 | -39.4 |
| Cash and cash equivalents at end of term | 104.6 | 100.5 | |

3Q FY2007 Financial Summary

Quarterly Sales by Division

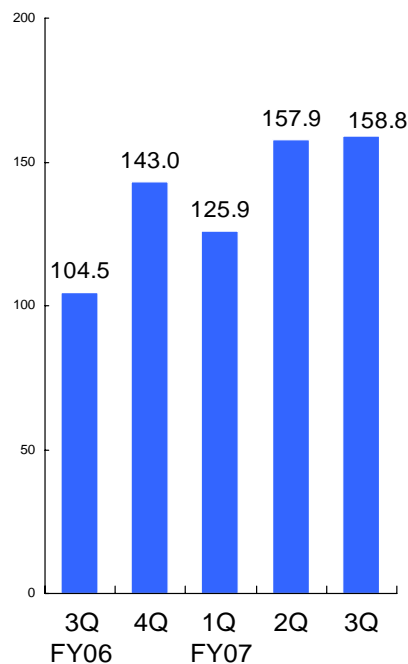
SPE Division
(Semiconductor Production Equipment)

FPD Division
(FPD Production Equipment)

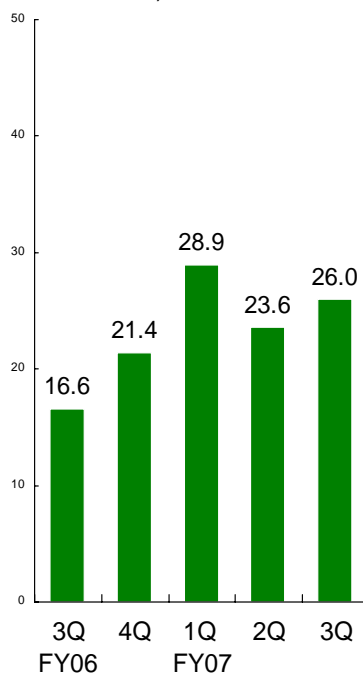
CN Division
(Computer Network)

EC Division
(Electronic Components)

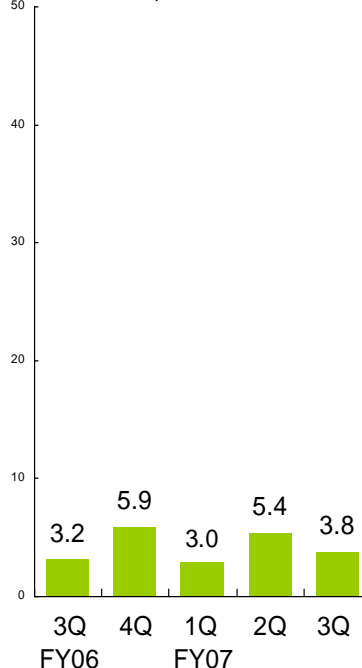
(Billions of Yen)



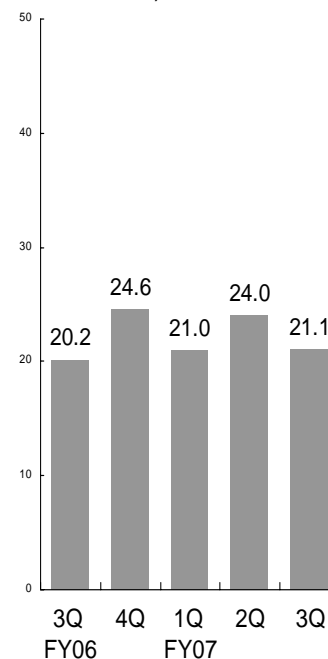
(Billions of Yen)



(Billions of Yen)



(Billions of Yen)



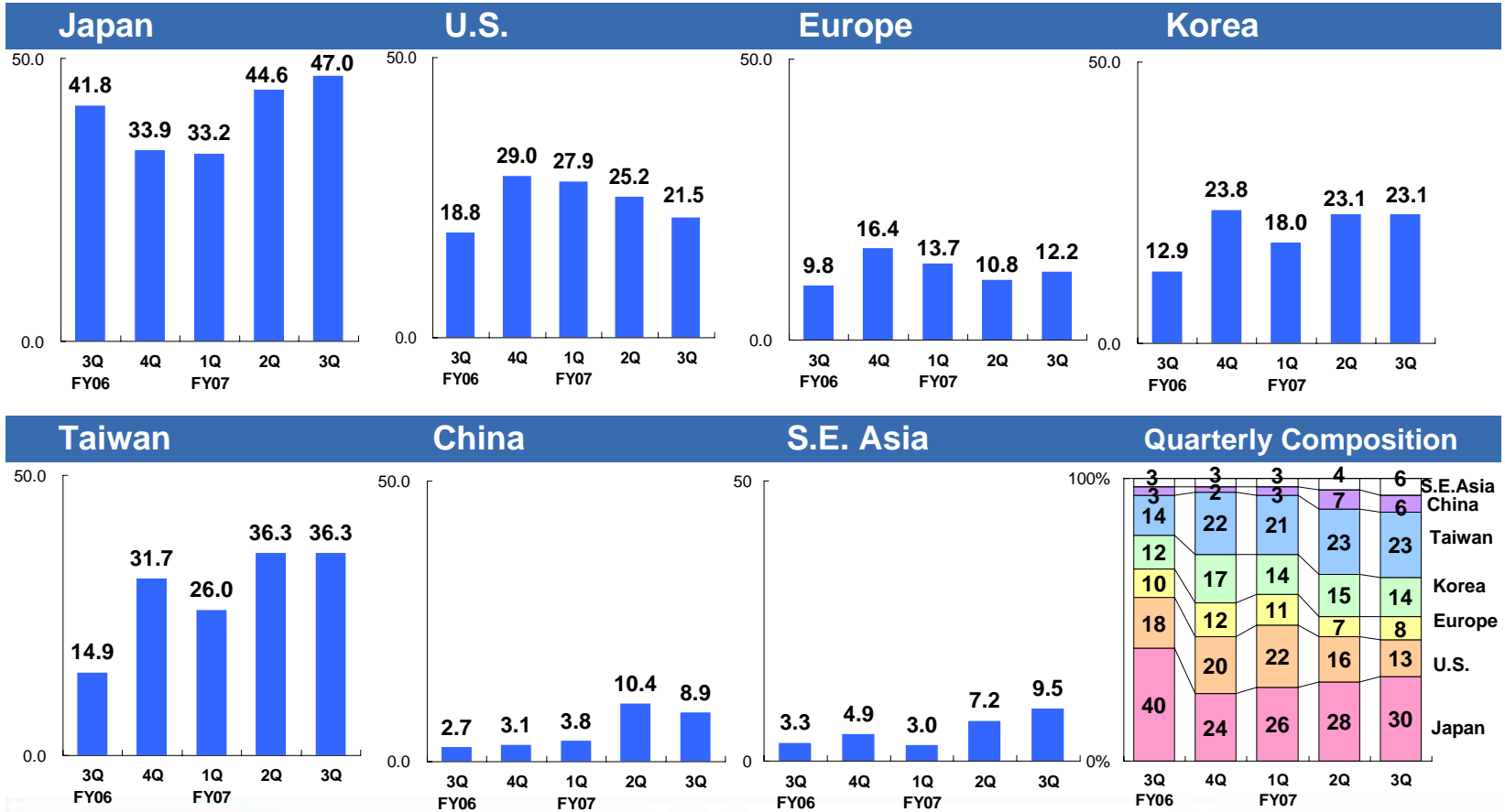
● In addition to the above 4 divisions, there is "Others" division. (3Q sales of 0.2 billion yen)



3Q FY2007 Financial Summary

Quarterly SPE Sales by Region

(Billions of Yen)

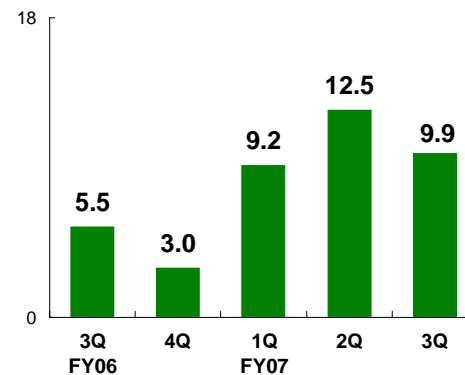
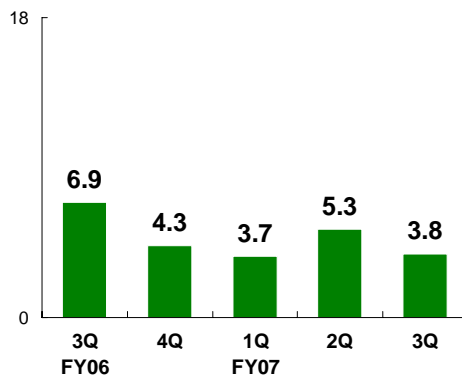
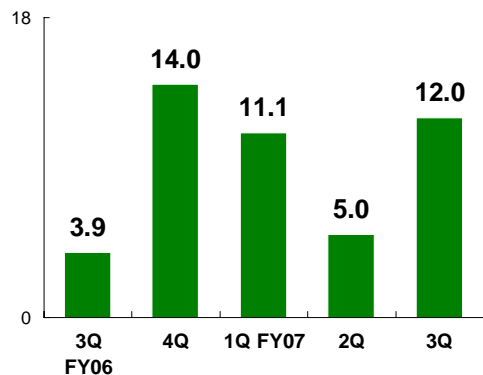


3Q FY2007 Financial Summary

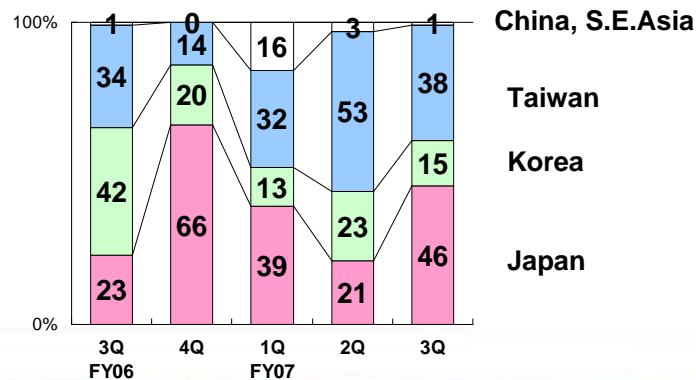
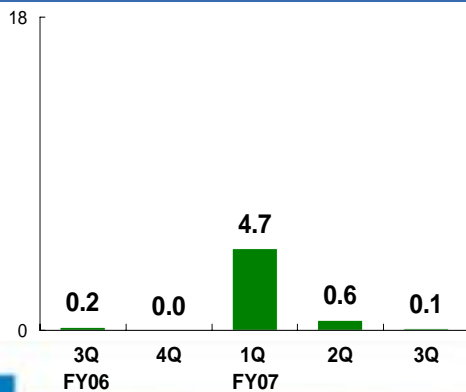
Quarterly FPD Equipment Sales by Region

(Billions of Yen)

Japan Korea Taiwan



China, Southeast Asia & Other Quarterly Composition



3Q FY2007 Financial Summary

Segment Information by Business Type

Operating income/Operating margin

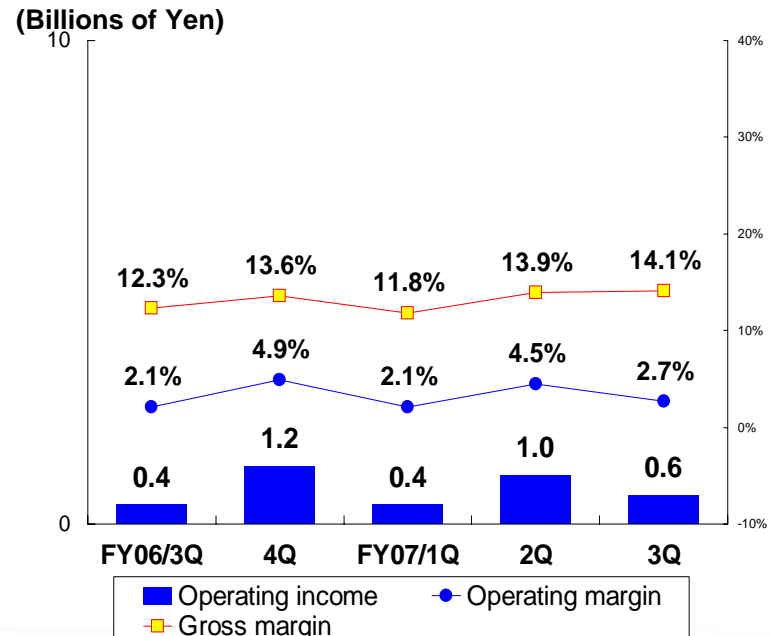
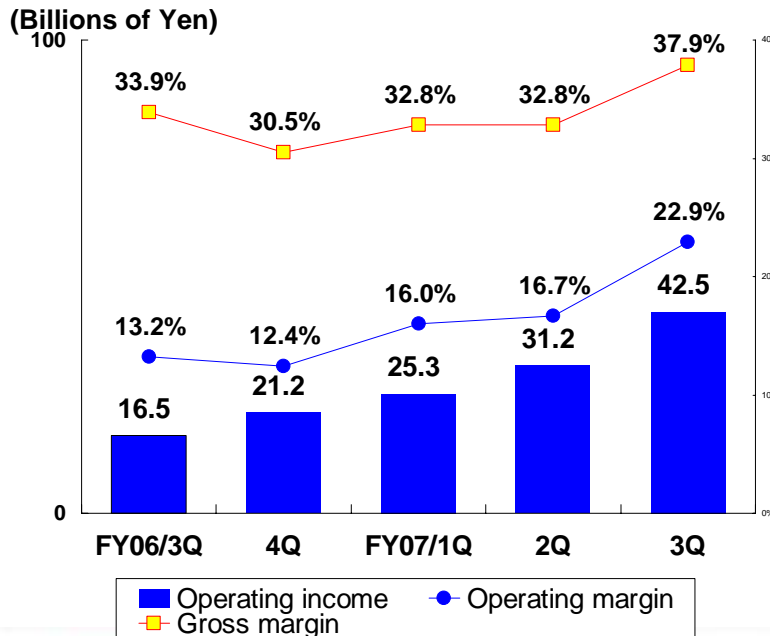
Industrial electronic equipment

(SPE, FPD, other)

Electronic components & Computer network

(Semiconductor products, Boards, Software, Other electronic components, Computer systems and Networks)

- Computer network division has been transferred to "Electronic components & Computer networks" segment from FY2007 3Q. Amount prior to FY2007 3Q is included in the original segment of "Industrial electronic equipment".



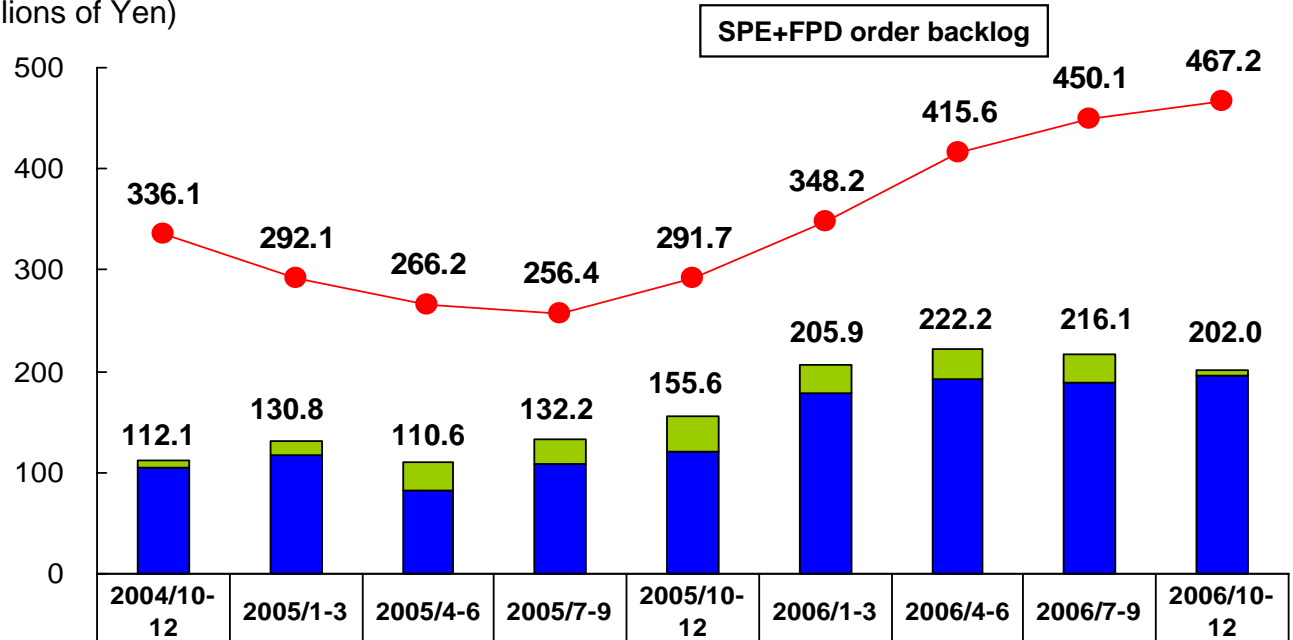
● Segment gross margin is provided just for reference.



3Q FY2007 Financial Summary

Quarterly SPE+FPD Order, Order Backlog

(Billions of Yen)



| | | | | | | | | | |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| FPD Production Equipment | 6.6 | 13.6 | 27.6 | 24.0 | 34.4 | 27.7 | 29.6 | 27.5 | 5.5 |
| SPE | 105.4 | 117.2 | 82.9 | 108.1 | 121.1 | 178.2 | 192.6 | 188.6 | 196.4 |
| Order backlog | 336.1 | 292.1 | 266.2 | 256.4 | 291.7 | 348.2 | 415.6 | 450.1 | 467.2 |
| Order backlog breakdown | FPD | 66.0 | 69.8 | 74.8 | 92.7 | 99.0 | 99.7 | 103.6 | 83.1 |
| | SPE | 226.0 | 196.3 | 181.6 | 199.0 | 249.1 | 315.8 | 346.4 | 384.1 |

● Order and backlogs are on a consolidated basis from 2006/1-3 quarter.



