

## Consolidated Financial Review for the Third Quarter Ended December 31, 2009

Company name: **Tokyo Electron Limited**  
URL: <http://www.tel.com>  
Telephone number: (03) 5561-7000  
Stock exchange listing: Tokyo Stock Exchange 1st Section (Code 8035)

- Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.  
2. Amounts are rounded down to the nearest million yen.

### 1. Financial highlights for the nine months ended December 31, 2009

#### (1) Operating results (Cumulative)

|  | Nine months ended |                   |
|--|-------------------|-------------------|
|  | December 31, 2008 | December 31, 2009 |
| Net sales (Millions of yen)              | 402,314           | 268,180           |
| Operating income (Millions of yen)       | 24,281            | (16,098)          |
| Ordinary income (Millions of yen)        | 28,833            | (12,639)          |
| Net income (Millions of yen)             | 9,675             | (16,219)          |
| Net income per share (Yen)               | 54.07             | (90.62)           |
| Fully diluted net income per share (Yen) | 53.96             | -                 |

#### (2) Financial position

|                                | As of<br>March 31, 2009                       | As of<br>December 31, 2009                 |
|--------------------------------|---|--|
| Total assets (Millions of yen) | 668,998                                       | 671,945                                    |
| Net assets (Millions of yen)   | 529,265                                       | 514,943                                    |
| Equity ratio (%)               | 77.5  | 75.0                                       |
| Net assets per share (Yen)     | 2,896.55                                      | 2,814.23                                   |
| Equity:                        | 503,727 million yen (as of December 31, 2009) | 518,387 million yen (as of March 31, 2009) |

### 2. Dividends

|                                   | Year ended<br>March 31, 2009 | Year ending<br>March 31, 2010 |
|-----------------------------------|------------------------------|-------------------------------|
| 2Q-end dividend per share (Yen)   | 20.00                        | 4.00                          |
| Year-end dividend per share (Yen) | 4.00                         | 4.00 (Forecast)               |
| Annual dividend per share (Yen)   | 24.00                        | 8.00 (Forecast)               |

Note: Revision of dividends forecast for during this period: None

### 3. Earnings forecast for the year ending March 31, 2010

|                                    | Year ending<br>March 31, 2010 |
|------------------------------------|-------------------------------|
| Net sales (Millions of yen)        | 410,000                       |
| Operating income (Millions of yen) | (14,000)                      |
| Ordinary income (Millions of yen)  | (10,000)                      |
| Net income (Millions of yen)       | (17,000)                      |
| Net income per share (Yen)         | (94.98)                       |

Note: Revision of earnings forecast for during this period: None

**4. Others**

- (1) Important changes in subsidiaries: None  
(Changes on specific subsidiaries with changes in scope of consolidation)
- (2) Use of simplified accounting method and special accounting policy for quarterly financial reporting: Yes
- (3) Changes in principles, procedures and display of accounting method concerning quarterly consolidated statement policies:
1. Changes in accounting policies: None
  2. Other changes: None
- (4) Number of shares outstanding (common stock)
1. Number of shares issued
 

|                          |                    |
|--------------------------|--------------------|
| As of December 31, 2009: | 180,610,911 shares |
| As of March 31, 2009:    | 180,610,911 shares |
  2. Number of shares of treasury stock
 

|                          |                  |
|--------------------------|------------------|
| As of December 31, 2009: | 1,617,957 shares |
| As of March 31, 2009:    | 1,643,398 shares |
  3. Average number of shares outstanding
 

|                                      |                    |
|--------------------------------------|--------------------|
| Nine months ended December 31, 2009: | 178,985,315 shares |
| Nine months ended December 31, 2008: | 178,943,356 shares |

**Explanations on the appropriate use of earnings forecast:**

The performance forecast and estimate stated in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

**Qualitative Information, Financial Statements, etc.****1. Qualitative Information on Consolidated Operating Results**

Looking at the global economy in the first three quarters of the current fiscal year, there was an economic recovery in Asian countries, centering on China, while the economic decline in Europe and North America leveled out as a result of stimulus measures even though conditions remained adverse with high unemployment levels. The Japanese economy is showing signs of improvement including a recovery in exports and production as well as a leveling off of the decline in capital investment, but unemployment remains high and conditions remain difficult.

In the electronics industry, in which the Tokyo Electron group operates, the economic stimulus measures implemented by various countries and the expanded use of electronics in emerging markets supported a recovery that included higher demand for flat-panel televisions, laptop computers, and multifunction mobile phones. As a result, there were signs of recovery in the semiconductor and FPD related markets as well.

Given these economic circumstances, the Tokyo Electron group enjoyed a solid recovery in orders for semiconductor production equipment, which is the group's main product line, and net sales and income are showing recovery in the second and third quarters. Despite this, in the first three quarters of the current fiscal year (the nine-month period from April to December 2009) net sales were 268,180 million yen (down 33.3% compared to the same period of the previous year), operating losses were 16,098 million yen (compared to operating income of 24,281 million yen in the same period of the previous year), ordinary losses were 12,639 million yen (compared to ordinary income of 28,833 million yen in the same period of the previous year), and net losses were 16,219 million yen (compared to net income of 9,675 million yen in the same period of the previous year).

In the third quarter (October to December 2009), net sales were 114,289 million yen (up 13.1% compared to the same period of the previous year), operating income was 5,521 million yen (compared to operating losses of 2,001 million yen in the same period of the previous year), ordinary income was 6,573 million yen (compared to ordinary losses of 74 million yen in the same period of the previous year), and net losses were 58 million yen (compared to net losses of 7,686 million yen in the same period of the previous year).

The overview of each business segment is as described below.

**(1) Industrial Electronic Equipment Business Segment**

Net sales from external customers for this segment during the first three quarters of the current fiscal year were 206,352 million yen (down 37.0% compared to the same period of the previous year). Net sales from external customers in this segment in the third quarter were 93,260 million yen (up 19.2%).

(a) Semiconductor Production Equipment Division

Capital investment has been curtailed since the year before last because of the global downturn; as a result, net sales from external customers during the first three quarters of the current fiscal year fell compared to the same period of the previous year, to 158,648 million yen (down 40.5%). Capital investment, however, is picking up as semiconductor prices are recovering due to ongoing inventory adjustments and equipment utilization rates of semiconductor manufacturers are increasing. Net sales from external customers in the third quarter were 76,511 million yen (up 32.3%), with the increases mainly coming from Taiwan and South Korea.

(b) FPD/PV (Flat Panel Display/Photovoltaic Cell) Production Equipment Division

FPD Panel manufacturers have curtailed or postponed capital investment; as a result, net sales from external customers in this division during the first three quarters of the current fiscal year were 47,429 million yen (down 21.7%). Yet demand for flat-panel televisions is rising in response to the economic stimulus measures of various countries and the lower prices, and there are signs of a full-scale recovery including increases in production capacity by leading panel manufacturers. In the photovoltaic cell production equipment business, the market underwent a temporary slowdown including postponements of investment because of the economic slump, but it is expected to grow in the future because of the environmental measures being implemented worldwide.

Net sales from external customers in this division during the third quarter were 16,686 million yen (down 18.1%).

(c) Others

Net sales from external customers in this division during the first three quarters of the current fiscal year were 274 million yen (up 0.4%); and net sales from external customers in this division during the third quarter were 63 million yen (up 14.2%).

**(2) Electronic Components and Computer Networks Business Segment**

In the semiconductor and electronic devices business, demand for consumer electronics such as digital home appliances was strong and sales at overseas sites were robust thanks to the upturn in the Chinese economy, but sales of semiconductors for industrial equipment, communications equipment, and computers decreased. In the computer systems-related business, companies remained cautious with regard to IT investment and product sales were sluggish, but sales of maintenance services were generally strong. Given this situation, net sales from external customers in this segment during the first three quarters of the current fiscal year were 61,828 million yen (down 17.5% compared to the same period of the previous year); and net sales from external customers in this segment during the third quarter were 21,028 million yen (down 7.9%).

**(For reference)****Consolidated**

(Millions of yen)

|   | FY2010<br>1Q | FY2010<br>2Q | FY2010<br>3Q | FY2010<br>1Q-3Q |
|---|--------------|--------------|--------------|-----------------|
| Net Sales                                 | 68,915       | 84,975       | 114,289      | 268,180         |
| Industrial Electronic Equipment           | 50,470       | 62,621       | 93,260       | 206,352         |
| Semiconductor Production Equipment        | 30,437       | 51,699       | 76,511       | 158,648         |
| Japan                                     | 4,932        | 10,812       | 10,675       | 26,420          |
| U.S.                                      | 12,430       | 8,364        | 13,273       | 34,068          |
| Europe                                    | 2,833        | 2,315        | 2,433        | 7,581           |
| Korea                                     | 2,861        | 8,823        | 13,391       | 25,076          |
| Taiwan                                    | 5,917        | 16,619       | 27,913       | 50,451          |
| China                                     | 483          | 2,106        | 3,149        | 5,739           |
| S.E.Asia                                  | 979          | 2,656        | 5,675        | 9,311           |
| FPD/PV Production Equipment               | 19,943       | 10,799       | 16,686       | 47,429          |
| Others                                    | 89           | 121          | 63           | 274             |
| Electronic Components & Computer Networks | 18,445       | 22,354       | 21,028       | 61,828          |
| Operating Income (loss)                   | (14,388)     | (7,232)      | 5,521        | (16,098)        |
| Ordinary Income (loss)                    | (14,021)     | (5,191)      | 6,573        | (12,639)        |
| Net Income (loss)                         | (11,035)     | (5,125)      | (58)         | (16,219)        |

Note: Offset elimination has been carried out on the dealing between segments.

**2. Qualitative Information on Consolidated Financial Conditions****(1) Financial Conditions**

Current assets at the end of the third quarter were 508,426 million yen, up 2,739 million yen compared to the end of the previous fiscal year. Major factors influencing that result included a combined 26,158 million yen increase in cash and deposits and certificates of deposit included in securities, a 9,959 million yen decrease in trade notes and accounts receivable, and a 9,958 million yen decrease in income taxes refund receivables.

Tangible fixed assets decreased by 8,143 million yen compared to the end of the previous fiscal year, to 91,762 million yen.

Intangible fixed assets fell by 5,006 million yen compared to the end of the previous fiscal year, to 5,754 million yen.

Investments and other assets increased by 13,357 million yen compared to the end of the previous fiscal year, to 66,001 million yen.

As a result, total assets increased by 2,947 million yen compared to the end of the previous fiscal year, to 671,945 million yen.

Current liabilities increased by 14,651 million yen compared to the end of the previous fiscal year, to 103,923 million yen, mainly due to an increase of 18,523 million yen in trade notes and accounts payable.

Long-term liabilities were up 2,617 million yen compared to the end of the previous fiscal year, to 53,077 million yen.

Net assets fell because net losses of 16,219 million yen were reported for the first three quarters of the current fiscal year and year-end dividends of 715 million yen were paid for the previous fiscal year and interim dividends of 715 million yen were paid for the current fiscal year. As a result, at the end of the third quarter net assets were 514,943 million yen. The equity ratio was 75.0%.

## **(2) Cash Flow**

Cash and cash equivalents at the end of the third quarter of the current fiscal year increased by 38,931 million yen compared to the end of the previous fiscal year, to 104,815 million yen. The combined balance of cash and cash equivalents, plus 131,500 million yen in time deposits and negotiable certificates of deposit with deposit terms of over three months (which are not included in cash and cash equivalents), increased by 26,158 million yen from the end of the previous fiscal year, to 236,315 million yen. The overall situation regarding cash flow during the first three quarters of the current fiscal year is as follows.

Cash flow from operating activities decreased by 16,048 million yen compared to the same

period of the previous year to 34,893 million yen. The main positive factors were 14,927 million yen in depreciation and amortization, a 9,861 million yen decrease in trade notes and accounts receivable, and a 18,541 million yen increase in trade notes and accounts payable. The major negative factors included 22,543 million yen in net loss before income taxes.

Cash flow from investing activities was a positive 2,664 million yen, compared to the negative 132,869 million yen in the same period of the previous year; mainly as a result of 12,838 million yen in income from a net decrease in time deposits and 9,723 million yen in expenditures for the acquisition of tangible fixed assets.

Cash flow from financing activities was a positive 1,025 million yen, compared to negative 42,031 million yen in the same period of the previous year; mainly as a result of 2,630 million yen in income from a net increase in short-term borrowings and payment of 1,431 million yen in dividends.

In addition, the overall situation for cash flow in the third quarter of the current fiscal year was as follows:

Cash flow from operating activities was a negative 5,473 million yen, compared to the negative 33,662 million yen in the same period of the previous year. The major positive factors were 3,705 million yen in income before income taxes, 5,042 million yen in depreciation and amortization, and an 11,390 million yen increase in trade notes and accounts payable. The main negative factor was a 20,057 million yen increase in trade notes and accounts receivable.

Cash flow from investing activities was a positive 59,784 million yen, compared to the negative 28,953 million yen in the same period of the previous year. The main factors were 61,004 million yen in income from a net decrease in time deposits and 1,298 million yen in expenditures for the acquisition of tangible fixed assets.

Cash flow from financing activities was a positive 89 million yen, compared to the negative 706 million yen in the same period of the previous year; mainly as a result of 962 million yen in income from a net increase in short-term borrowings and payment of 715 million yen in interim dividends.

### 3. Qualitative Information on Forecasts for Consolidated Financial Results

In electronics-related markets, there are clear signs of recovery for semiconductor demand and capital investment by semiconductor manufacturers is also picking up. Given these circumstances, we expect sales of semiconductor production equipment, the group's main business, to increase and for profits to improve compared to our earlier forecast (announced on October 30, 2009); accordingly, the company has revised upward its forecast of consolidated financial results for the entire fiscal year as follows in the January 27, 2010 Announcement on Financial Forecast Revision.

#### Consolidated forecast (Billions of yen, Y/Y change)

|   | FY2010 (E) |        |
|---|------------|--------|
| Net Sales                                 | 410.0      | -19.3% |
| Industrial Electronic Equipment           | 328.2      | -20.7% |
| Semiconductor Production Equipment        | 259.0      | -20.4% |
| FPD/PV Production Equipment               | 69.0       | -21.7% |
| Others                                    | 0.2        | -      |
| Electronic Components & Computer Networks | 81.8       | -13.2% |
| Operating Income (Loss)                   | -14.0      | -      |
| Ordinary Income (Loss)                    | -10.0      | -      |
| Net Income (Loss)                         | -17.0      | -      |

Note: The financial forecasts and estimates stated in this financial review are based on certain assumptions judged to be reasonable at the present time in light of information currently available concerning economic conditions in Japan and overseas, fluctuations in foreign exchange rates, and other factors that may have an impact on performance.

They are therefore susceptible to the impact of many uncertainties, including market conditions, competition, the launching of new products (and their success or failure), and global conditions in the semiconductor-related business. Consequently, actual sales and profits may differ substantially from the projections stated in this financial review.



# Consolidated Balance Sheet

TOKYO ELECTRON

(Millions of yen)

|   | As of<br>March 31, 2009 | As of<br>December 31, 2009 |
|---|-------------------------|----------------------------|
| <b>ASSETS</b>                             |                         |                            |
| <b>Current assets</b>                     |                         |                            |
| Cash and deposit                          | 51,156                  | 61,105                     |
| Trade notes and accounts receivable       | 119,687                 | 109,727                    |
| Securities                                | 159,001                 | 175,210                    |
| Merchandise and finished goods            | 88,416                  | 82,217                     |
| Work in process                           | 29,306                  | 38,956                     |
| Raw materials and supplies                | 16,518                  | 14,347                     |
| Others                                    | 41,620                  | 26,979                     |
| Allowance for doubtful accounts           | (20)                    | (117)                      |
| <b>Total current assets</b>               | <b>505,687</b>          | <b>508,426</b>             |
| <b>Long-term assets</b>                   |                         |                            |
| Tangible fixed assets                     | 99,906                  | 91,762                     |
| Intangible fixed assets                   |                         |                            |
| Others                                    | 10,760                  | 5,754                      |
| <b>Total intangible fixed assets</b>      | <b>10,760</b>           | <b>5,754</b>               |
| Investments and other assets              |                         |                            |
| Others                                    | 60,189                  | 73,503                     |
| Allowance for doubtful accounts           | (7,545)                 | (7,502)                    |
| <b>Total investments and other assets</b> | <b>52,644</b>           | <b>66,001</b>              |
| <b>Total long-term assets</b>             | <b>163,311</b>          | <b>163,518</b>             |
| <b>Total assets</b>                       | <b>668,998</b>          | <b>671,945</b>             |

(Millions of yen)

|   | As of<br>March 31, 2009 | As of<br>December 31, 2009 |
|---|-------------------------|----------------------------|
| <b>LIABILITIES</b>                                    |                         |                            |
| <b>Current liabilities</b>                            |                         |                            |
| Trade notes and accounts payable                      | 24,393                  | 42,916                     |
| Other allowance                                       | 11,113                  | 6,361                      |
| Others  | 53,765                  | 54,645                     |
| <b>Total current liabilities</b>                      | <b>89,272</b>           | <b>103,923</b>             |
| <b>Long-term liabilities</b>                          |                         |                            |
| Accrued pension and severance costs                   | 47,046                  | 49,242                     |
| Other allowance                                       | 639                     | 615                        |
| Others  | 2,773                   | 3,219                      |
| <b>Total long-term liabilities</b>                    | <b>50,460</b>           | <b>53,077</b>              |
| <b>Total liabilities</b>                              | <b>139,732</b>          | <b>157,001</b>             |
| <b>NET ASSETS</b>                                     |                         |                            |
| <b>Shareholders' equity</b>                           |                         |                            |
| Common stock  | 54,961                  | 54,961                     |
| Capital surplus                                       | 78,114                  | 78,037                     |
| Retained earnings                                     | 404,435                 | 386,784                    |
| Treasury stock  | (11,111)                | (10,928)                   |
| <b>Total shareholders' equity</b>                     | <b>526,398</b>          | <b>508,854</b>             |
| <b>Valuation and translation adjustments</b>          |                         |                            |
| Valuation difference on available-for-sale securities | (842)                   | 2,109                      |
| Deferred gains or losses on hedges                    | 66                      | (36)                       |
| Translation adjustments                               | (7,235)                 | (7,199)                    |
| <b>Total valuation and translation adjustments</b>    | <b>(8,011)</b>          | <b>(5,126)</b>             |
| <b>Subscription rights to shares</b>                  | <b>1,148</b>            | <b>1,475</b>               |
| <b>Minority interests</b>                             | <b>9,729</b>            | <b>9,740</b>               |
| <b>Total net assets</b>                               | <b>529,265</b>          | <b>514,943</b>             |
| <b>Total liabilities and net assets</b>               | <b>668,998</b>          | <b>671,945</b>             |

## Consolidated Statement of Income

(Millions of yen)

|   | Nine months ended<br>December 31, 2008 | Nine months ended<br>December 31, 2009 |
|---|--|--|
| Net sales   | 402,314                                | 268,180                                |
| Cost of sales                                       | 284,144                                | 205,077                                |
| <b>Gross profit</b>                                 | <b>118,169</b>                         | <b>63,103</b>                          |
| Selling, general & administrative expenses          |  |  |
| Research and development expenses                   | 45,923                                 | 38,387                                 |
| Others  | 47,964                                 | 40,814                                 |
| Total selling, general & administrative expenses    | 93,888                                 | 79,201                                 |
| <b>Operating income (loss)</b>                      | <b>24,281</b>                          | <b>(16,098)</b>                        |
| Non-operating income                                |  |  |
| Interest income                                     | 1,332                                  | 786                                    |
| Revenue from development grants                     | 2,099                                  | 1,357                                  |
| Others  | 1,659                                  | 1,633                                  |
| Total non-operating income                          | 5,091                                  | 3,776                                  |
| Non-operating expenses                              |  |  |
| Interest expenses                                   | 155                                    | -                                      |
| Lease expenses of fixed assets                      | 198                                    | 103                                    |
| Loss on sale of trade notes and accounts receivable | 113                                    | -                                      |
| Others  | 71                                     | 214                                    |
| Total non-operating expenses                        | 538                                    | 317                                    |
| <b>Ordinary income (loss)</b>                       | <b>28,833</b>                          | <b>(12,639)</b>                        |
| Unusual or infrequent profit                        |  |  |
| Reversal of allowance for doubtful accounts         | -                                      | 15                                     |
| Gain on sale of fixed assets                        | 117                                    | 25                                     |
| Total unusual or infrequent profit                  | 117                                    | 40                                     |
| Unusual or infrequent loss                          |  |  |
| Provision of allowance for doubtful accounts        | 6,775                                  | -                                      |
| Loss on impairment                                  | -                                      | 7,508                                  |
| Others  | 1,976                                  | 2,436                                  |
| Total unusual or infrequent loss                    | 8,752                                  | 9,945                                  |
| <b>Income (loss) before income taxes</b>            | <b>20,198</b>                          | <b>(22,543)</b>                        |
| Provision for income taxes and enterprise taxes     | 10,281                                 | (6,648)                                |
| Minority interests                                  | 241                                    | 324                                    |
| <b>Net income (loss)</b>                            | <b>9,675</b>                           | <b>(16,219)</b>                        |

# Consolidated Cash Flow

TOKYO ELECTRON

(Millions of yen)

|   | Nine months ended<br>December 31, 2008 | Nine months ended<br>December 31, 2009 |
|---|--|--|
| <b>Cash flow from operating activities</b>                            |  |  |
| Income (loss) before income taxes                                     | 20,198                                 | (22,543)                               |
| Depreciation and amortization   | 16,677                                 | 14,927                                 |
| Loss on impairment  | -                                      | 7,508                                  |
| Increase in accrued pension and severance costs (decrease)            | 2,536                                  | 2,174                                  |
| Increase in allowance for doubtful accounts (decrease)                | 6,581                                  | -                                      |
| Increase in accrued employees' bonuses (decrease)                     | (10,028)                               | (2,867)                                |
| Increase in accrued warranty expenses (decrease)                      | (3,158)                                | (1,892)                                |
| Interest and dividend revenue   | (1,431)                                | (827)                                  |
| Decrease in trade notes and accounts receivable (increase)            | 87,739                                 | 9,861                                  |
| Decrease in inventories (increase)                                    | (8,836)                                | (1,762)                                |
| Increase in accounts payable (decrease)                               | (20,181)                               | 18,541                                 |
| Decrease in prepaid consumption tax (increase)                        | 6,524                                  | 4,926                                  |
| Increase in accrued consumption tax (decrease)                        | (5,057)                                | -                                      |
| Increase in customer advances (decrease)                              | 5,028                                  | (2,279)                                |
| Others  | (5,708)                                | 2,358                                  |
| <b>Subtotal</b>   | <b>90,883</b>                          | <b>28,126</b>                          |
| Receipts from interest and dividends                                  | 1,402                                  | 923                                    |
| Interest paid   | (166)                                  | (33)                                   |
| Income taxes paid or refund (paid)                                    | (41,177)                               | 5,878                                  |
| <b>Net cash generated by operating activities</b>                     | <b>50,942</b>                          | <b>34,893</b>                          |
| <b>Cash flow from investing activities</b>                            |  |  |
| Decrease in time deposits (increase)                                  | (111,864)                              | 12,838                                 |
| Payment for purchase of tangible fixed assets                         | (13,243)                               | (9,723)                                |
| Payment for purchase of intangible fixed assets                       | (661)                                  | (347)                                  |
| Payment for purchase of investment securities                         | (6,800)                                | -                                      |
| Others  | (299)                                  | (102)                                  |
| <b>Net cash used in investing activities</b>                          | <b>(132,869)</b>                       | <b>2,664</b>                           |
| <b>Cash flow from financing activities</b>                            |  |  |
| Net increase in short-term borrowings (decrease)                      | 1,717                                  | 2,630                                  |
| Redemption of straight bonds  | (30,000)                               | -                                      |
| Dividends paid  | (13,420)                               | (1,431)                                |
| Others  | (328)                                  | (173)                                  |
| <b>Net cash generated by financing activities</b>                     | <b>(42,031)</b>                        | <b>1,025</b>                           |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>   | <b>(1,411)</b>                         | <b>347</b>                             |
| <b>Net increase in cash and cash equivalents (decrease)</b>           | <b>(125,369)</b>                       | <b>38,931</b>                          |
| <b>Cash and cash equivalents at beginning of period</b>               | <b>193,492</b>                         | <b>65,883</b>                          |
| <b>Cash and cash equivalents from newly consolidated subsidiaries</b> | <b>67</b>                              | <b>-</b>                               |
| <b>Cash and cash equivalents at end of period</b>                     | <b>68,189</b>                          | <b>104,815</b>                         |

## Segment Information

### 1. Business Segment Information

(Millions of yen)

| Nine months ended December 31, 2008 |                                 |   |         |                            |              |
|-------------------------------------|---------------------------------|---|---------|----------------------------|--------------|
|                                     | Industrial Electronic Equipment | Electronic Components and Computer Networks | Total   | Eliminations and Corporate | Consolidated |
| Net sales                           | 328,087                         | 75,375                                      | 403,462 | (1,148)                    | 402,314      |
| Operating income                    | 22,850                          | 1,411                                       | 24,262  | 19                         | 24,281       |

- Note: 1. Method of classifying businesses: Businesses are classified after considering similarities in type of products, functions, or method of sales.
2. Major products in each business segment:
- (1) Industrial Electronic Equipment: Semiconductor Production Equipment, FPD Production Equipment, Photovoltaic Cell Production Equipment, Others
- (2) Electronic Components and Computer Networks: Semiconductor Products, Computer Systems and Middleware and Software, Other Electronic Components

(Millions of yen)

| Nine months ended December 31, 2009 |                                 |   |          |                            |              |
|-------------------------------------|---------------------------------|---|----------|----------------------------|--------------|
|                                     | Industrial Electronic Equipment | Electronic Components and Computer Networks | Total    | Eliminations and Corporate | Consolidated |
| Net sales                           | 206,940                         | 62,123                                      | 269,064  | (883)                      | 268,180      |
| Operating income (loss)             | (17,201)                        | 1,090                                       | (16,111) | 12                         | (16,098)     |

- Note: 1. Method of classifying businesses: Businesses are classified after considering similarities in type of products, functions, or method of sales.
2. Major products in each business segment:
- (1) Industrial Electronic Equipment: Semiconductor Production Equipment, FPD Production Equipment, Photovoltaic Cell Production Equipment, Others
- (2) Electronic Components and Computer Networks: Semiconductor Products, Other Electronic Computer Systems and Networks, and Software

### 2. Geographic Segment Information

(Millions of yen)

| Nine months ended December 31, 2008 |         |               |         |                            |              |
|-------------------------------------|---------|---------------|---------|----------------------------|--------------|
|                                     | Japan   | Other Regions | Total   | Eliminations and Corporate | Consolidated |
| Net sales                           | 386,198 | 89,351        | 475,549 | (73,234)                   | 402,314      |
| Operating income                    | 19,671  | 3,485         | 23,156  | 1,124                      | 24,281       |

- Note: 1. National and regional categories are determined on the basis of geographic proximity.
2. Main countries and territories in other regions: U.S., Europe, Taiwan

(Millions of yen)

| Nine months ended December 31, 2009 |          |               |          |                            |              |
|-------------------------------------|----------|---------------|----------|----------------------------|--------------|
|                                     | Japan    | Other Regions | Total    | Eliminations and Corporate | Consolidated |
| Net sales                           | 254,253  | 53,832        | 308,085  | (39,905)                   | 268,180      |
| Operating income (loss)             | (15,525) | 857           | (14,667) | (1,431)                    | (16,098)     |

- Note: 1. National and regional categories are determined on the basis of geographic proximity.
2. Main countries and territories in other regions: U.S., Taiwan, Korea

## Segment Information

### 3. Overseas sales

(Millions of yen)

|  | Nine months ended December 31, 2008 |        |        |        |         |
|--|-------------------------------------|--------|--------|--------|---------|
|  | Taiwan                              | Korea  | U.S.   | Others | Total   |
| Overseas sales   | 69,201                              | 56,588 | 48,502 | 65,958 | 240,250 |
| Consolidated net sales                                     |                                     |        |        |        | 402,314 |
| Proportion of overseas sales in consolidated net sales (%) | 17.2                                | 14.1   | 12.1   | 16.3   | 59.7    |

- Note: 1. National and regional categories are determined on the basis of geographic proximity.  
 2. Main countries in others: Singapore, China, Israel  
 3. Overseas sales indicates net sales in countries and territories except Japan.

(Millions of yen)

|  | Nine months ended December 31, 2009 |        |        |        |         |
|--|-------------------------------------|--------|--------|--------|---------|
|  | Taiwan                              | U.S.   | Korea  | Others | Total   |
| Overseas sales   | 59,840                              | 34,145 | 32,876 | 32,444 | 159,307 |
| Consolidated net sales                                     |                                     |        |        |        | 268,180 |
| Proportion of overseas sales in consolidated net sales (%) | 22.3                                | 12.7   | 12.3   | 12.1   | 59.4    |

- Note: 1. National and regional categories are determined on the basis of geographic proximity.  
 2. Main countries in others: China, Singapore, Israel  
 3. Overseas sales indicates net sales in countries and territories except Japan.