

TOKYO ELECTRON

2Q FY2011 Financial Announcement

November 2, 2010



TOKYO ELECTRON

2Q FY2011

Consolidated Financial Summary

2Q FY2011: July 1, 2010 - September 30, 2010
FY2011: April 1, 2010 - March 31, 2011



TOKYO ELECTRON

2Q FY2011 Financial Summary (For 6 months)

Results Highlights

Net sales	Up 20.3% on FY10 2H (Up 106.9% on FY10 1H)
Operating income	Up 117.8% on FY10 2H (Up ¥63.9 billion on FY10 1H) Operating margin 13.3%
Net income	Up 369.3% on FY10 2H (Up ¥49.6 billion on FY10 1H)
Cash flow	Operating cash flow ¥41.1 billion (Up ¥33.2 billion on FY10 2H, up ¥0.8 billion on FY10 1H) Cash and cash equivalents ¥268.4 billion (Up ¥24.4 billion on end March 2010)



2Q FY2011 Financial Summary (For 6 months)

Profit and Loss Results

(Billions of Yen)

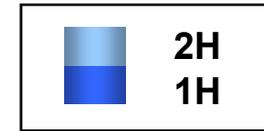
	FY2010		FY2011	FY2011 1H Forecast (7/30)
	1H	2H	1H	
Net sales	153.8	264.7	318.4	325.0
SPE	82.1	180.2	240.2	250.0
FPD/PVE	30.7	40.6	32.8	32.0
EC/CN	40.7	43.6	45.0	43.0
Others	0.2	0.1	0.2	-
Operating income	-21.6 (-14.0%)	19.4 (7.3%)	42.3 (13.3%)	40.5 (12.5%)
EBIT	-26.2	18.4	45.0	42.0
Net income	-16.1	7.1	33.4	30.0

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.



2Q FY2011 Financial Summary (For 6 months)

Net Sales by Division



SPE Division

(Semiconductor Production Equipment)

FPD/PVE Division

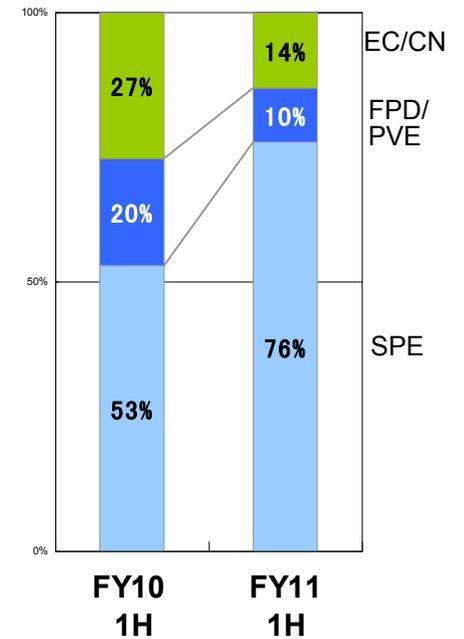
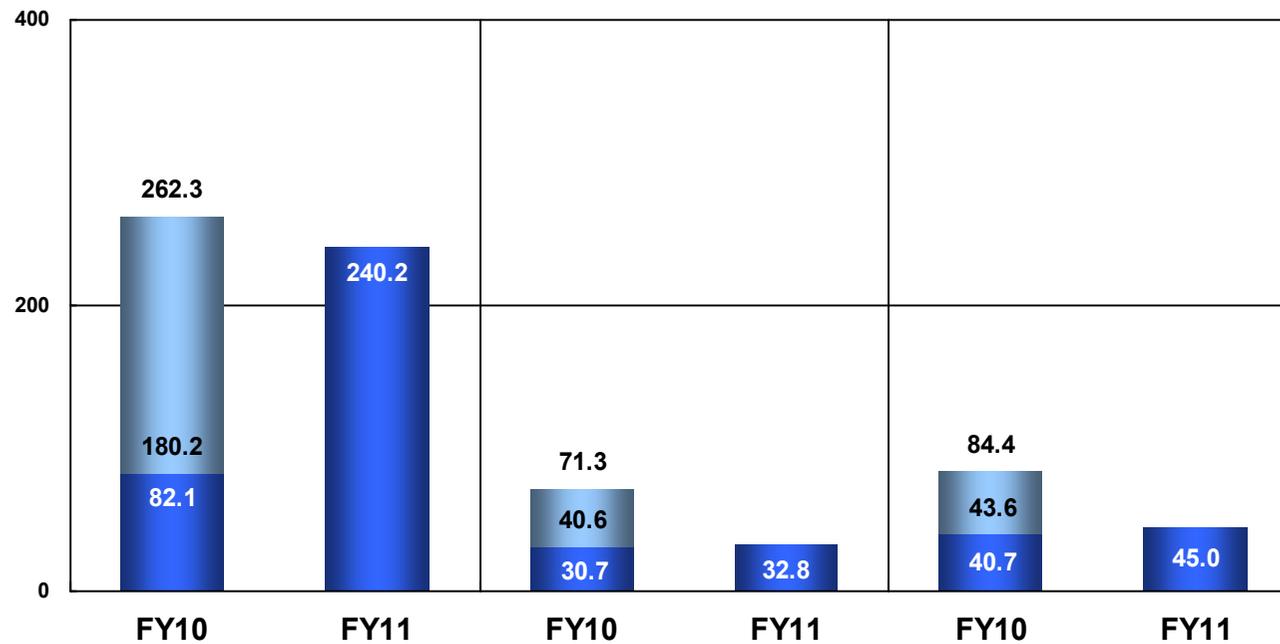
(FPD/PV Cell Production Equipment)

EC/CN Division

(Electronic Components/Computer Networks)

Composition

(Billions of Yen)



1H FY11 vs 1H FY10

192.5%

6.9%

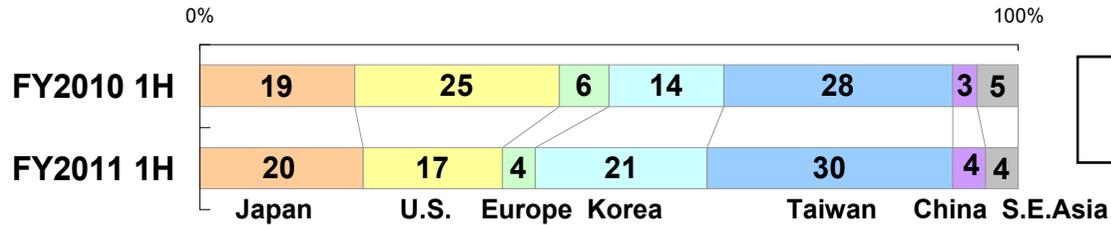
10.5%

● In addition to the above 3 divisions, there is "Others" division.



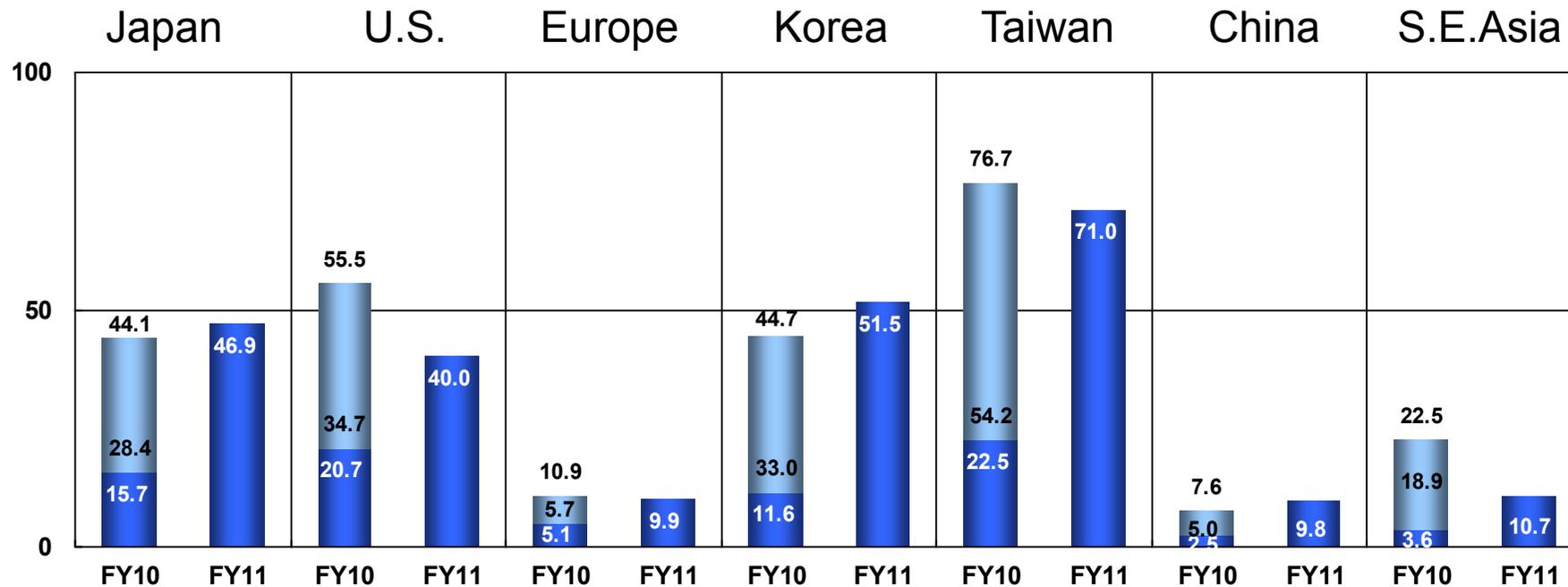
2Q FY2011 Financial Summary (For 6 months)

SPE Sales by Region



FY2010 1H 82.1 bil yen
FY2011 1H 240.2 bil yen

(Billions of Yen)

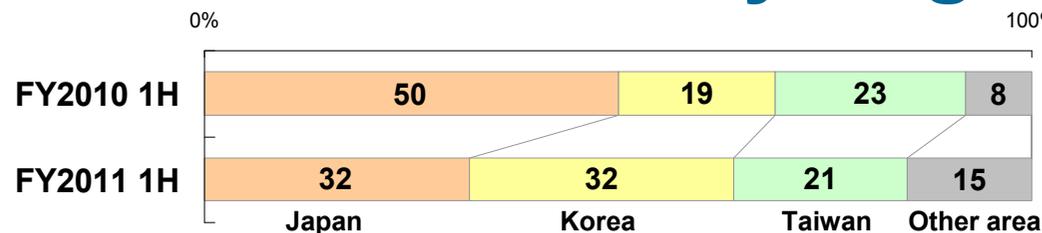
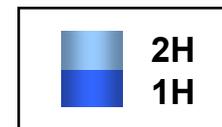


1H FY11 vs 1H FY10



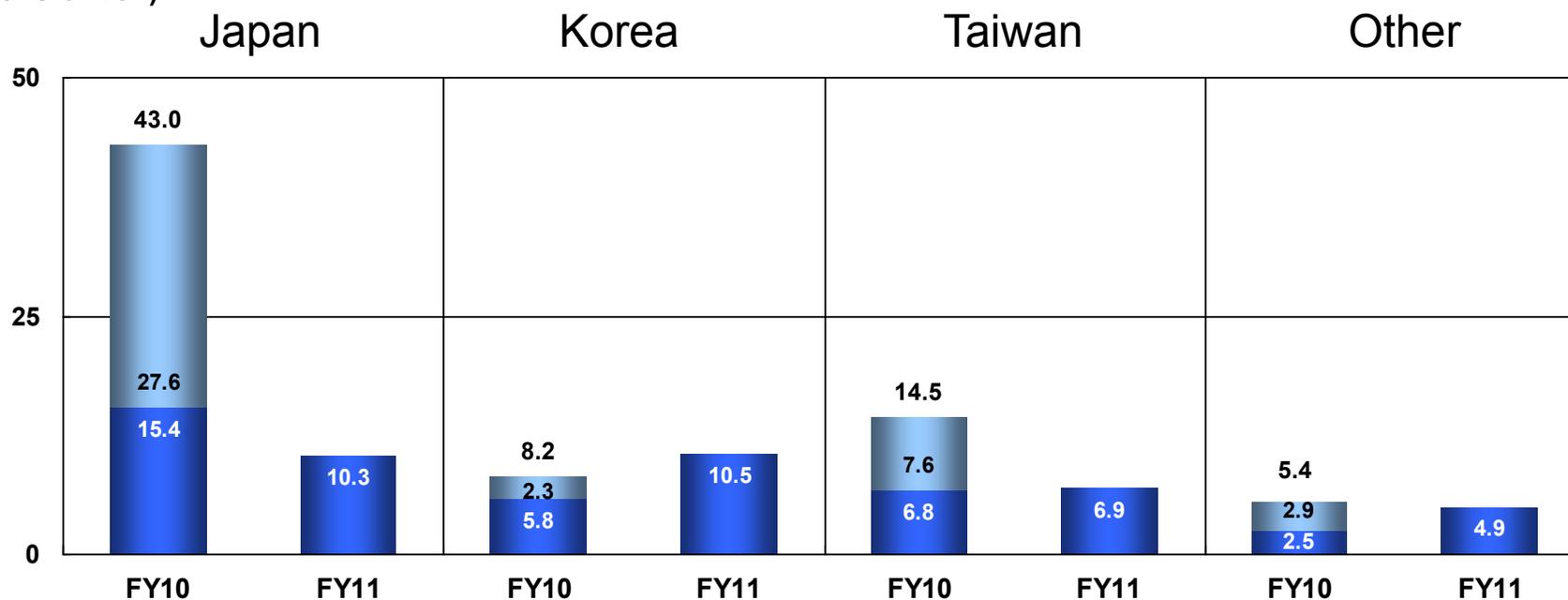
2Q FY2011 Financial Summary (For 6 months)

FPD/PVE Sales by Region



FY2010 1H 30.7 bil yen
FY2011 1H 32.8 bil yen

(Billions of Yen)

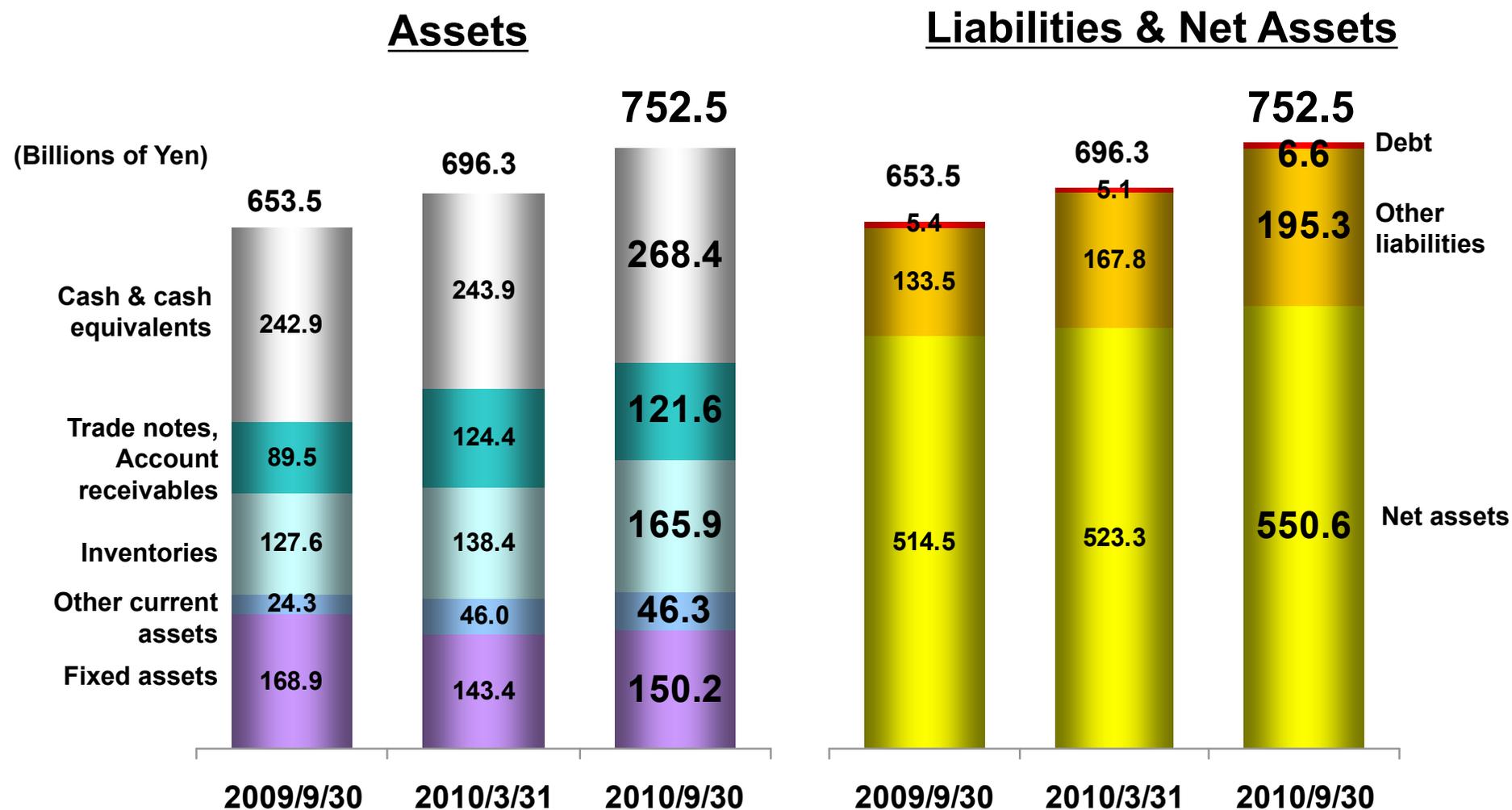


1H FY11 vs 1H FY10



2Q FY2011 Financial Summary (For 6 months)

Balance Sheet (Summary)



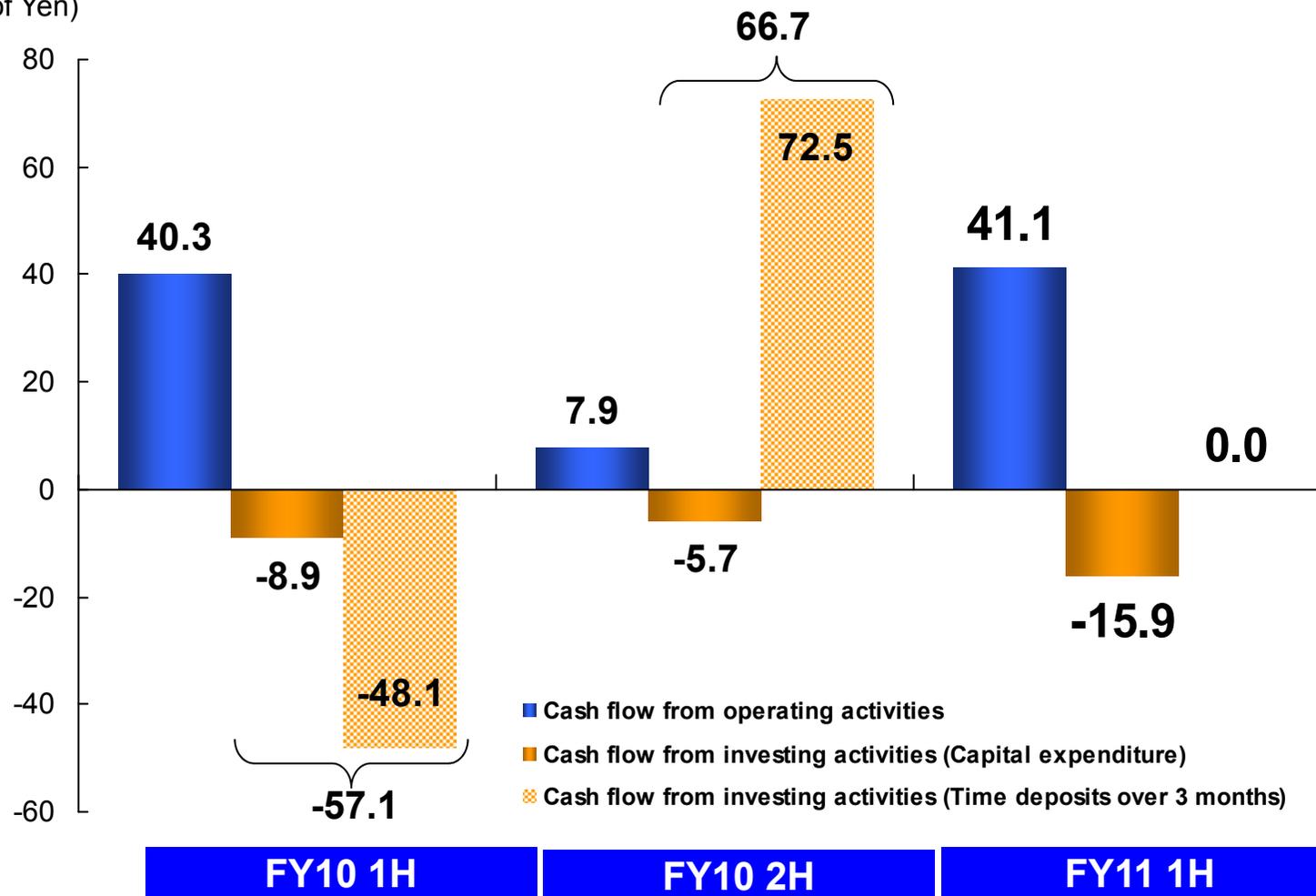
Cash and cash equivalents: Cash and deposits + Certificate of deposit (Securities in B/S).



2Q FY2011 Financial Summary (For 6 months)

Cash Flow

(Billions of Yen)



2Q FY2011 Financial Summary (For 6 months)

Segment Information

(Billions of Yen)

	Reportable Segment			Others	Eliminations	Consolidated Total
	SPE	FPD/PVE	EC/CN			
Sales	240.2	32.8	45.5	7.6	-7.9	318.4
Segment Income (EBIT base)	54.6	3.6	1.3	1.0	-15.5	45.0
Segment Profit Margin	22.7%	11.2%	2.9%	13.7%	-	14.1%

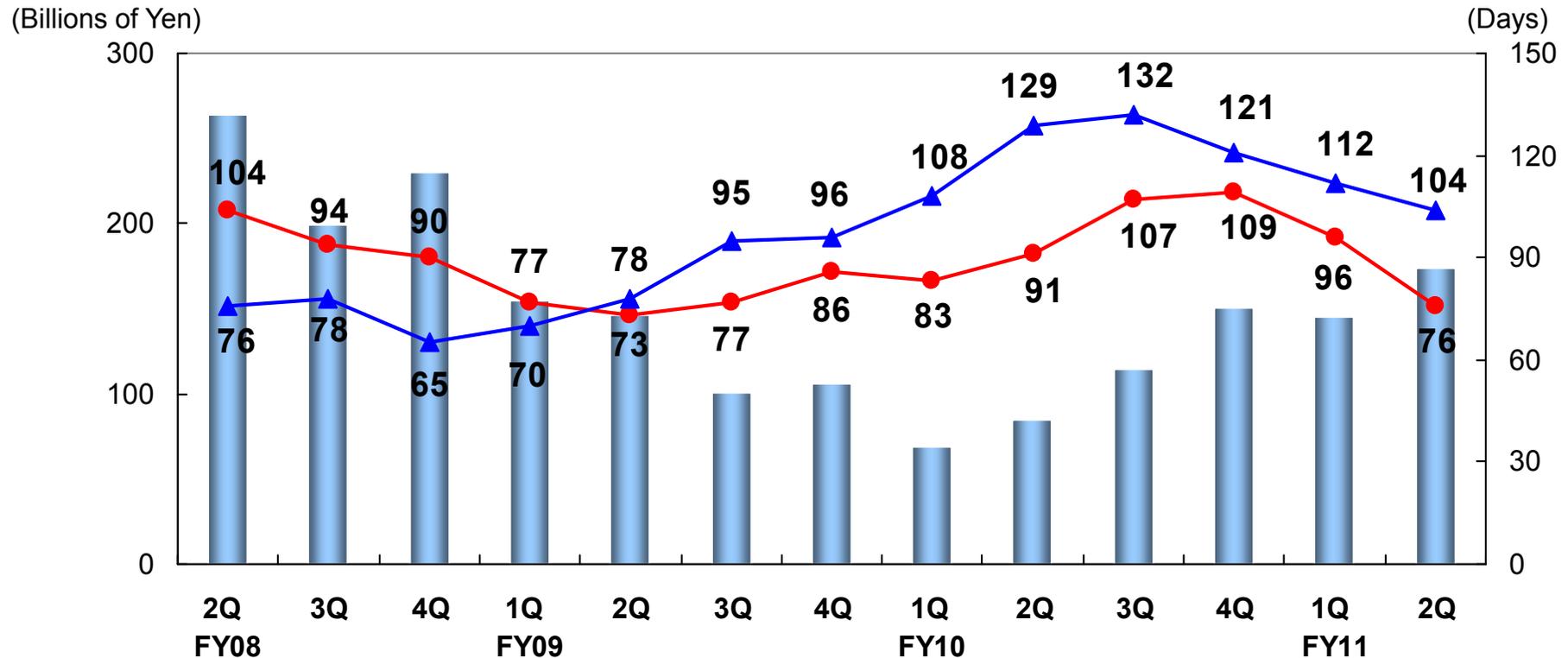
The reportable segments by the company provide separate financial information pertaining to the various segments of the company, which is reviewed periodically by the management to evaluate corporate performance as well as make decisions about the allocation of management resources.

1. The "Others" segment includes all other businesses which are not included in the reported business segments, such as the transportation of products, etc. of the Tokyo Electron Group companies, equipment leasing and insurance, etc.
2. The eliminations of segment income amounting to 15.5 billion yen includes corporate expenses pertaining to the corporate account which are not allocated to any specific reportable segments. The corporate account expenses are mainly R&D expenses of -10.9 billion yen, pertaining to fundamental research and element research conducted by the company not related to any of the reportable segments.
3. Segment income is adjusted against quarterly net income before taxes in the quarterly consolidated income statement.
4. Profit ratios are calculated using full amounts, before rounding.



2Q FY2011 Financial Summary (For 3 months)

Inventory Turnover and AR Turnover

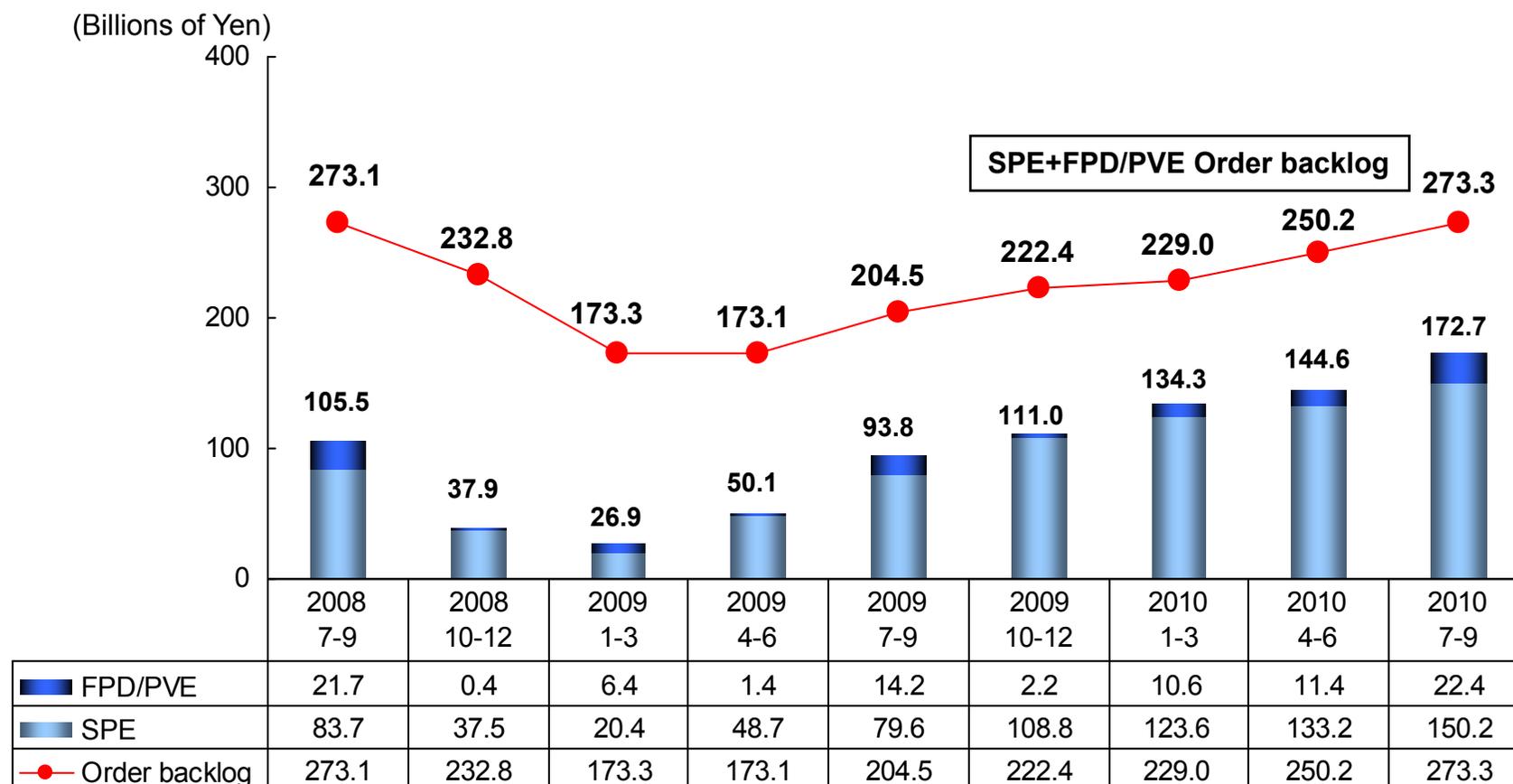


● Turnover days = Inventory or AR at the end of each quarter / last 12-month sales x 365



2Q FY2011 Financial Summary (For 3 months)

Orders, Order Backlog: SPE+FPD/PVE



Order backlog breakdown

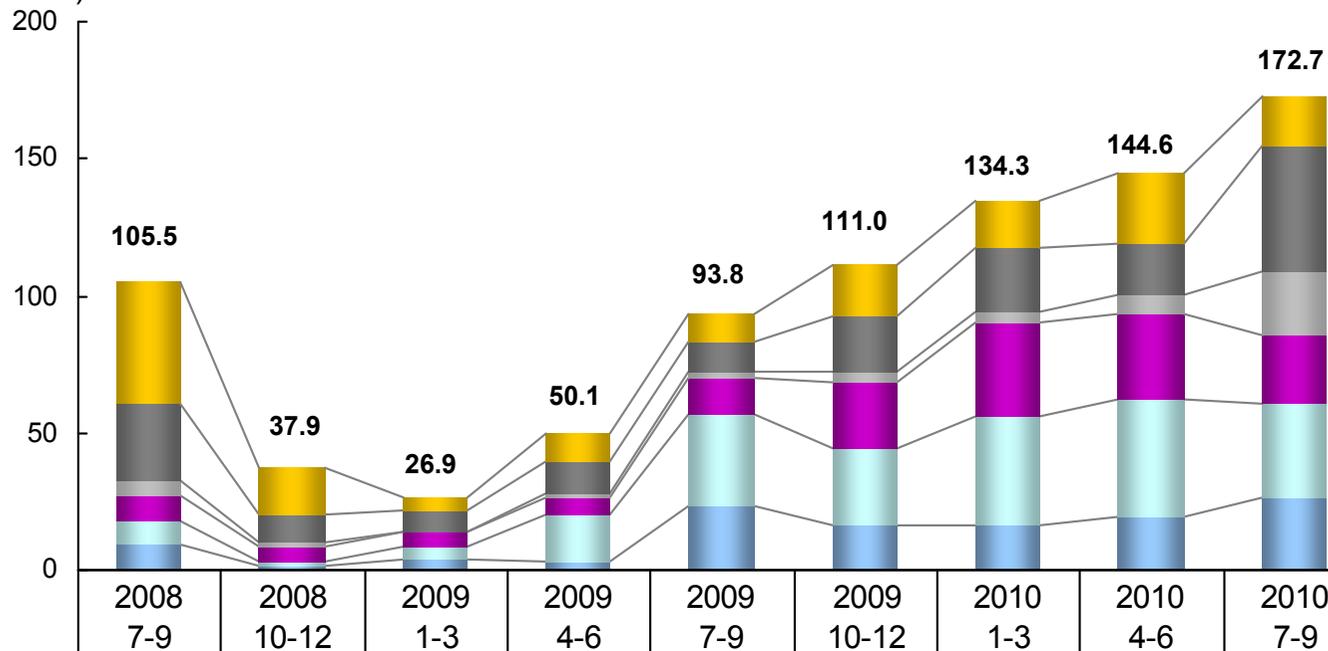
FPD/PVE	140.6	120.6	99.5	81.0	84.4	70.0	56.7	47.9	57.8
SPE	132.5	112.2	73.7	92.0	120.0	152.3	172.3	202.3	215.5



2Q FY2011 Financial Summary (For 3 months)

Orders by Region: SPE+FPD/PVE

(Billions of Yen)



■ Japan	44.4	17.3	4.6	10.1	10.2	18.1	16.8	25.6	17.3
■ U.S.	28.1	10.4	8.2	11.8	11.0	20.2	23.3	18.6	46.6
■ Europe	5.9	1.5	0.1	1.9	2.2	4.5	3.8	6.9	22.8
■ Korea	9.0	5.6	5.1	5.6	13.7	23.4	34.3	31.1	24.9
■ Taiwan	8.8	1.2	4.5	17.5	33.1	28.4	40.0	42.5	34.6
■ China, Southeast Asia & Others	9.1	1.7	4.1	3.0	23.4	16.3	16.1	19.7	26.3



Quarterly Data (For 3 Months)



2Q FY2011 Financial Summary (For 3 months)

Financial Summary

(Billions of Yen)

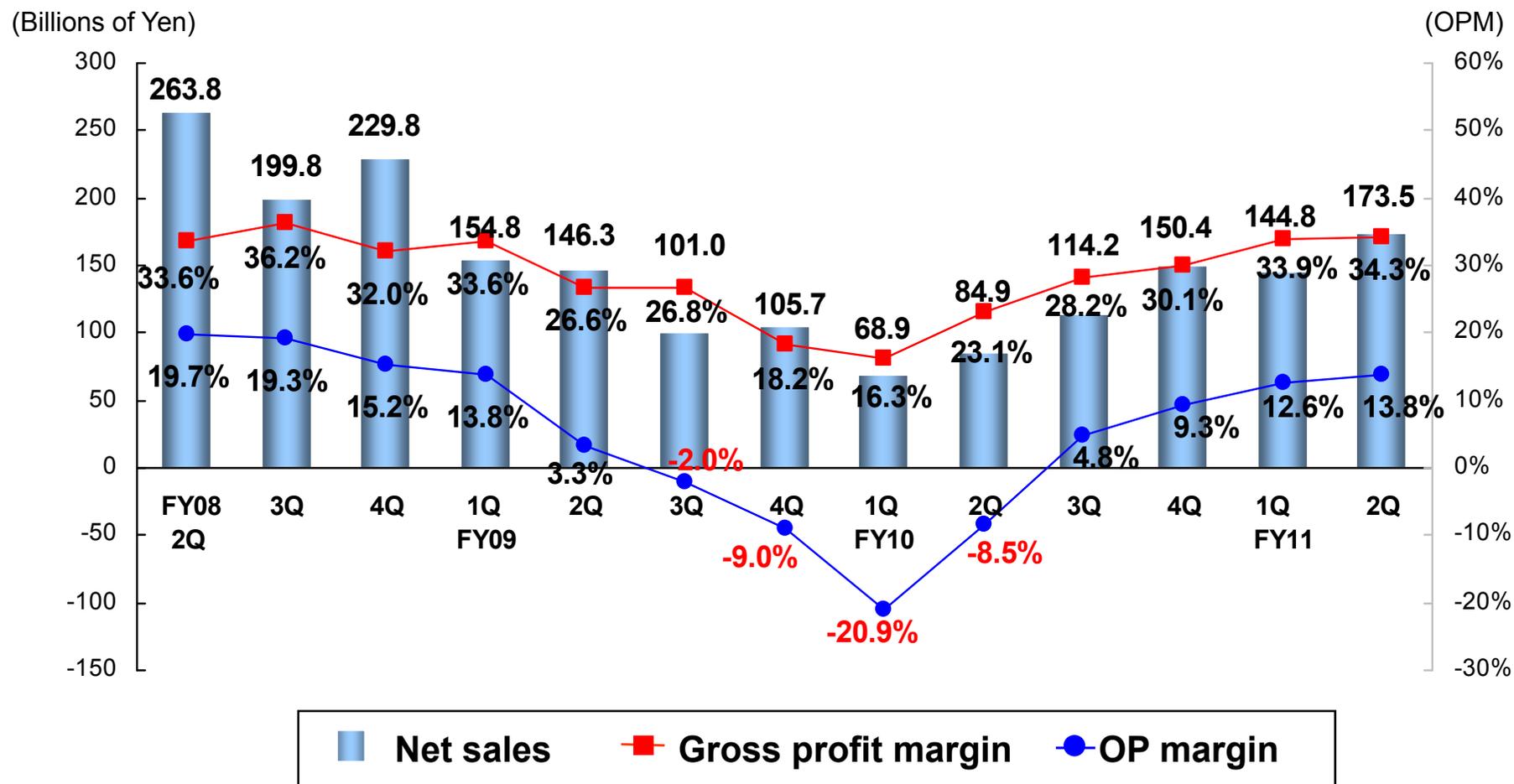
	FY2010			FY2011	
	2H	3H	4H	1Q	2Q
Net sales	84.9	114.2	150.4	144.8	173.5
Gross profit	19.6	32.2	45.2	49.1	59.5
Operating income	-7.2 (-8.5%)	5.5 (4.8%)	13.9 (9.3%)	18.3 (12.6%)	24.0 (13.8%)
EBIT	-7.8	3.7	14.7	19.2	25.7
Net income	-5.1	-0.0	7.1	14.7	18.7
R&D expenses	13.0	13.2	15.6	14.8	19.2
CAPEX	7.0	1.6	5.0	3.7	12.6
Depreciation	4.9	5.0	5.0	3.7	4.0

1. Numbers shown in (): profit ratios
2. Profit ratios are calculated using full amounts, before rounding.



2Q FY2011 Financial Summary (For 3 months)

Net Sales & Profit Ratio



2Q FY2011 Financial Summary (For 3 months)

Sales by Division

SPE Division

(Semiconductor Production Equipment)

FPD/PVE Division

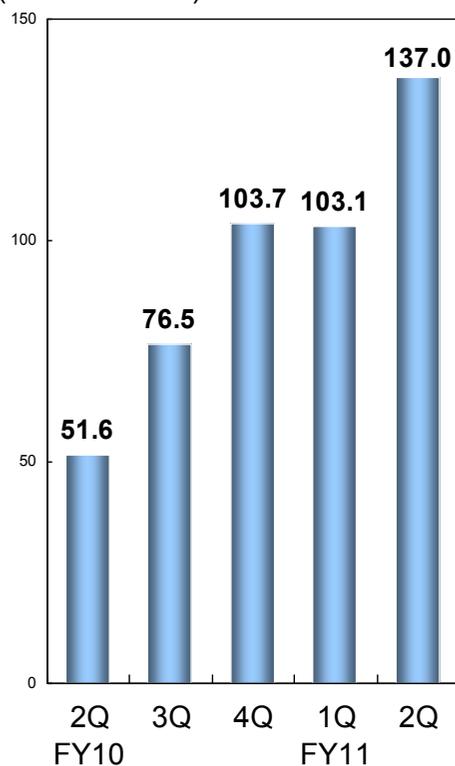
(FPD/PV Cell Production Equipment)

EC/CN Division

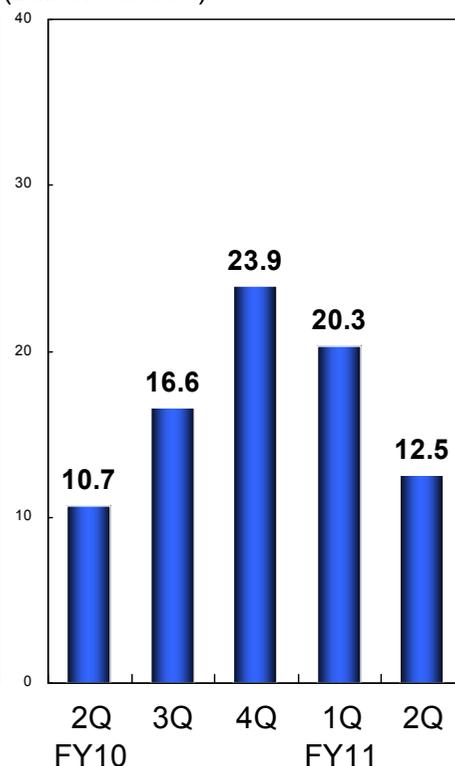
(Electronic Components, Computer Networks)

Composition

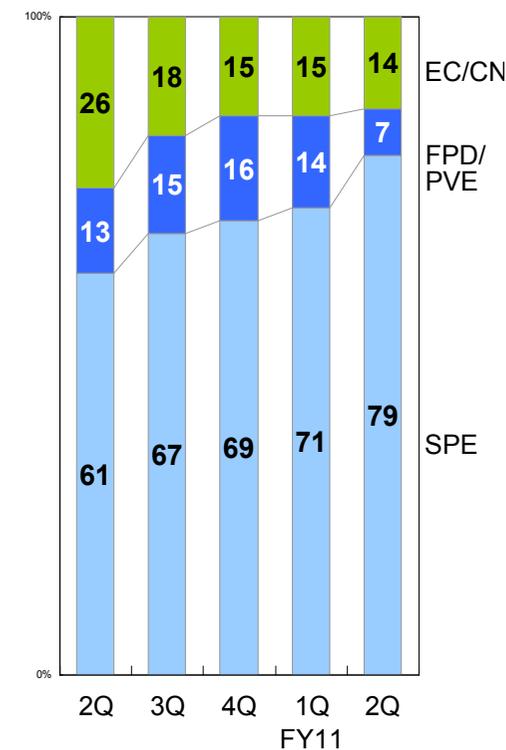
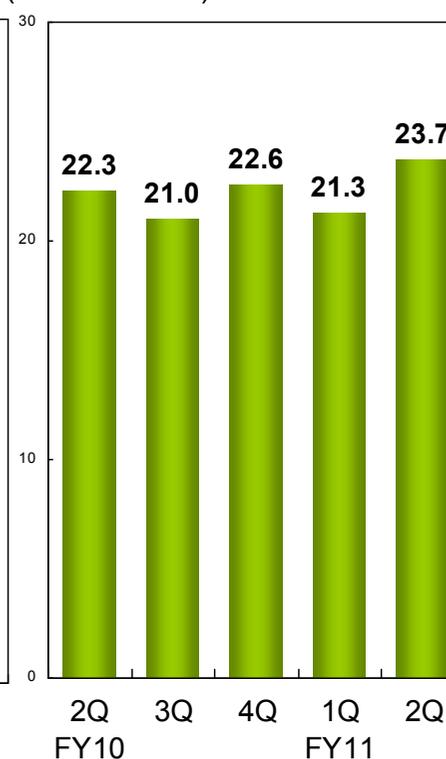
(Billions of Yen)



(Billions of Yen)



(Billions of Yen)



● In addition to the above 3 divisions, there is "Others" division. (FY11/2Q sales of 0.1 billion yen)

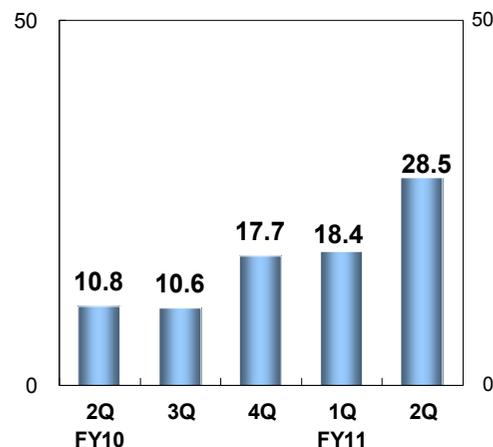


2Q FY2011 Financial Summary (For 3 months)

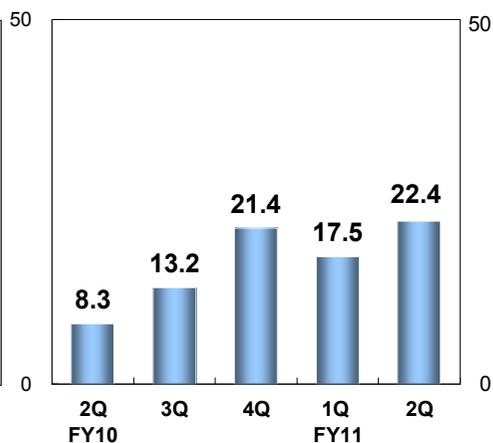
SPE Sales by Region

(Billions of Yen)

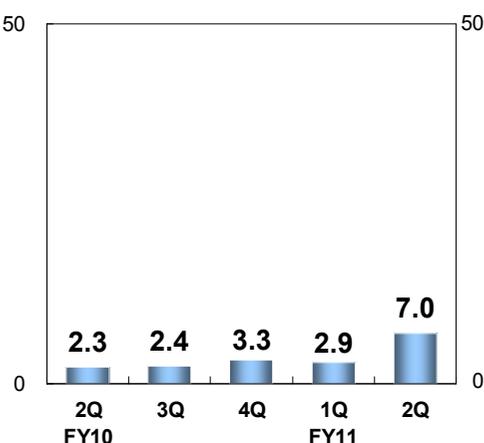
Japan



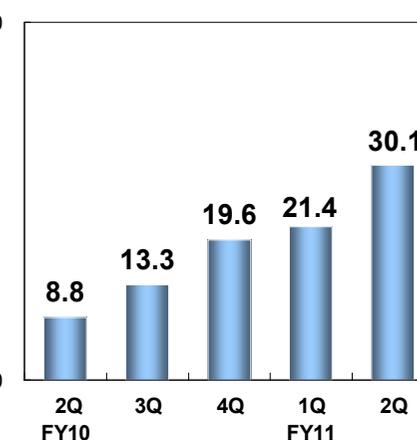
U.S.



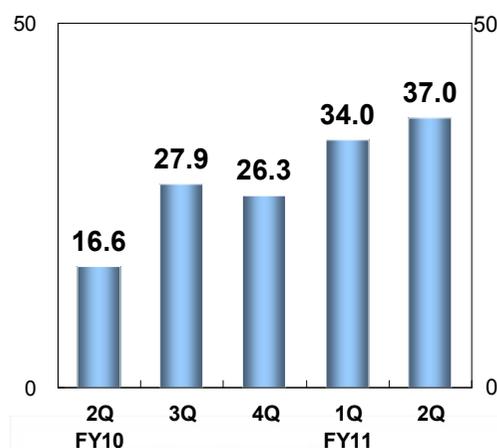
Europe



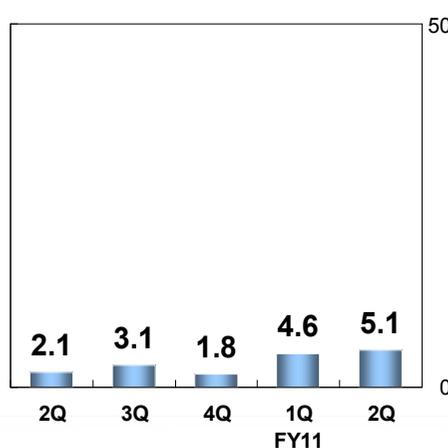
Korea



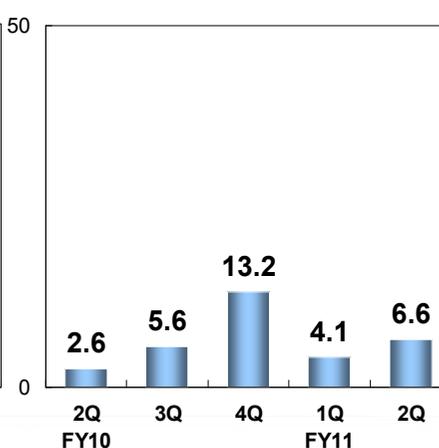
Taiwan



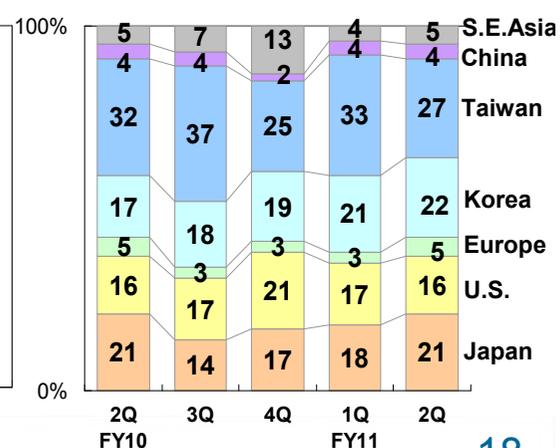
China



S.E.Asia



Regional Composition

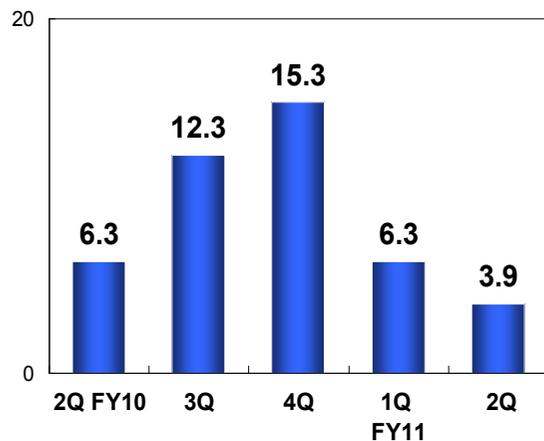


2Q FY2011 Financial Summary (For 3 months)

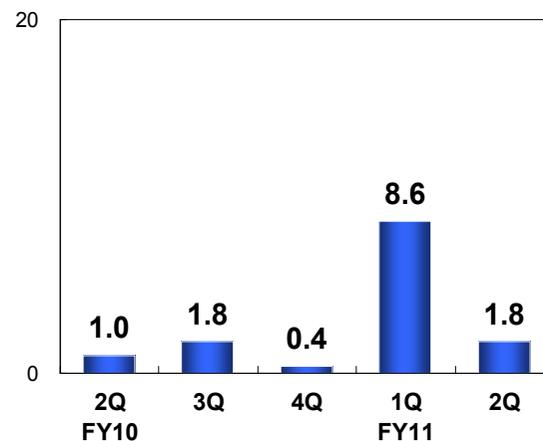
FPD/PVE Sales by Region

(Billions of Yen)

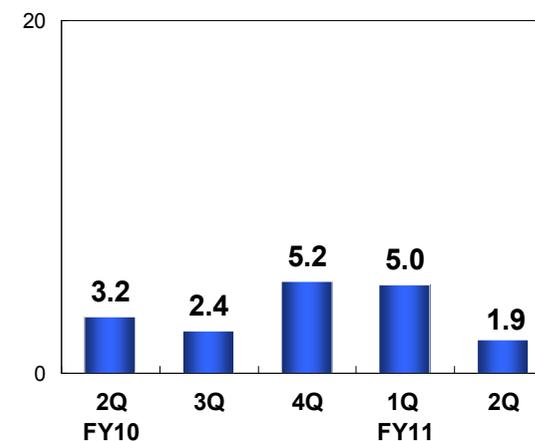
Japan



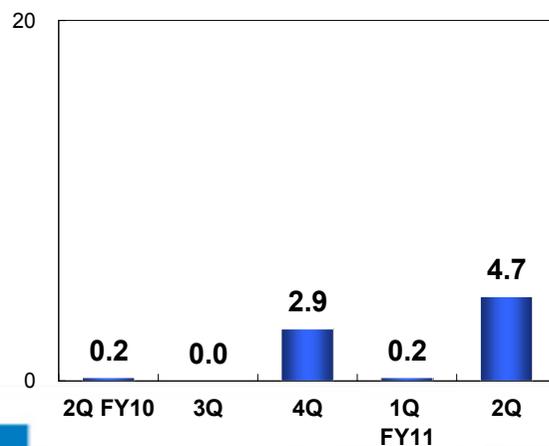
Korea



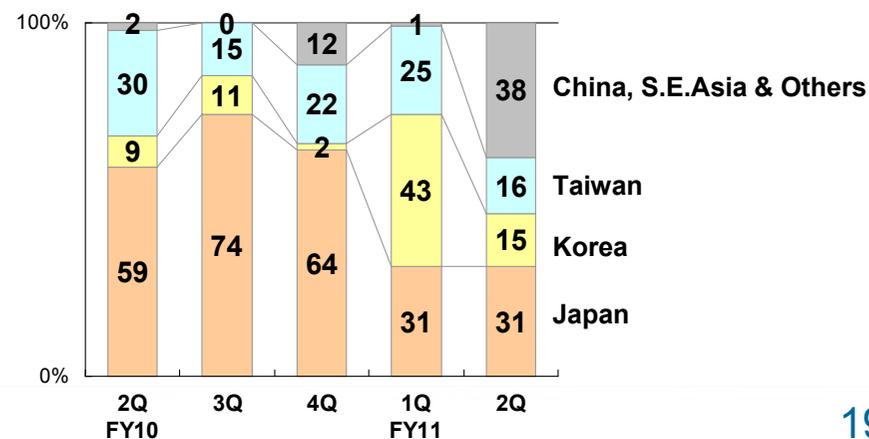
Taiwan



China, Southeast Asia & Others

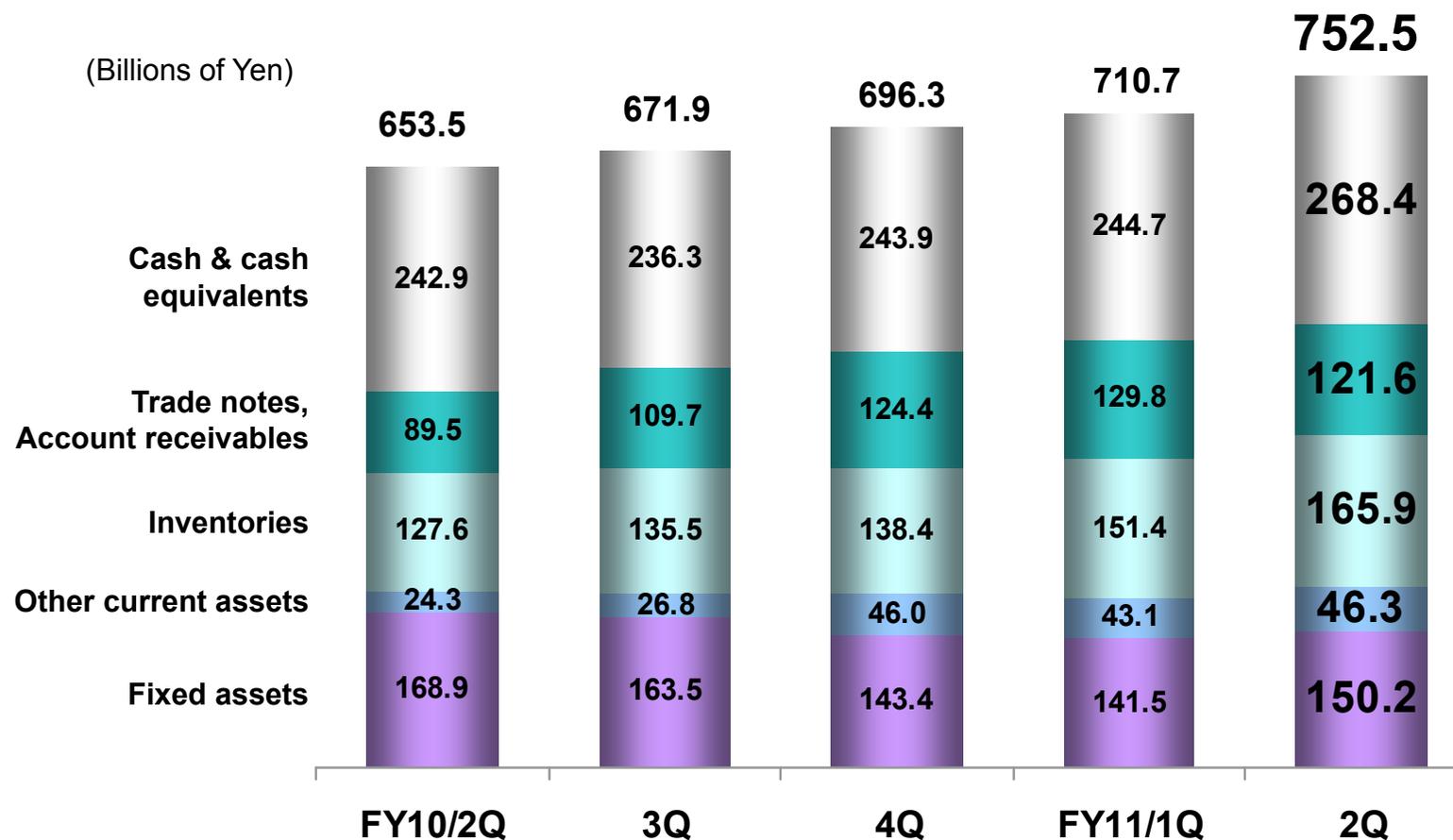


Regional Composition



2Q FY2011 Financial Summary (For 3 months)

Assets

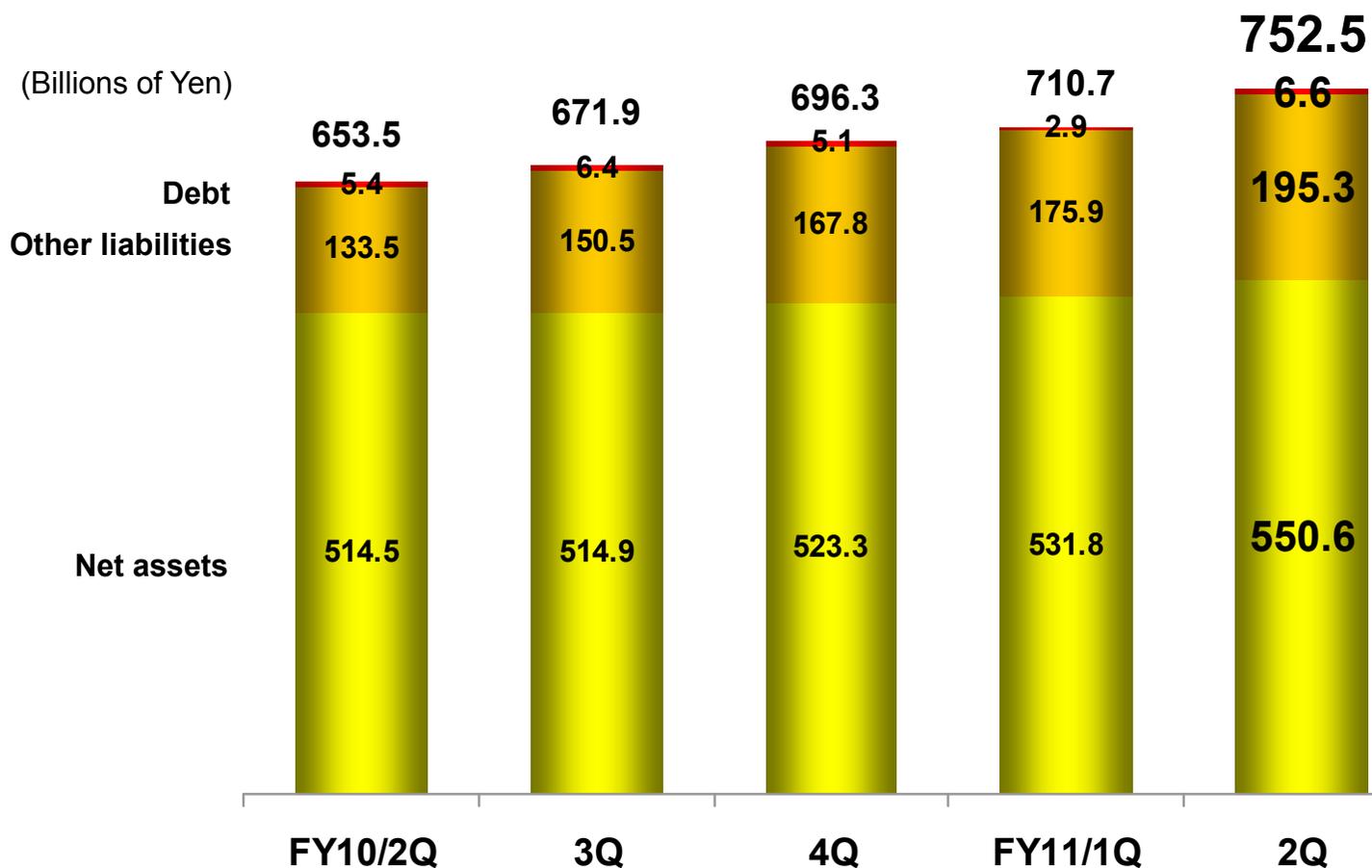


Cash and cash equivalents: Cash and deposits + Certificate of deposit (Securities in B/S).



2Q FY2011 Financial Summary (For 3 months)

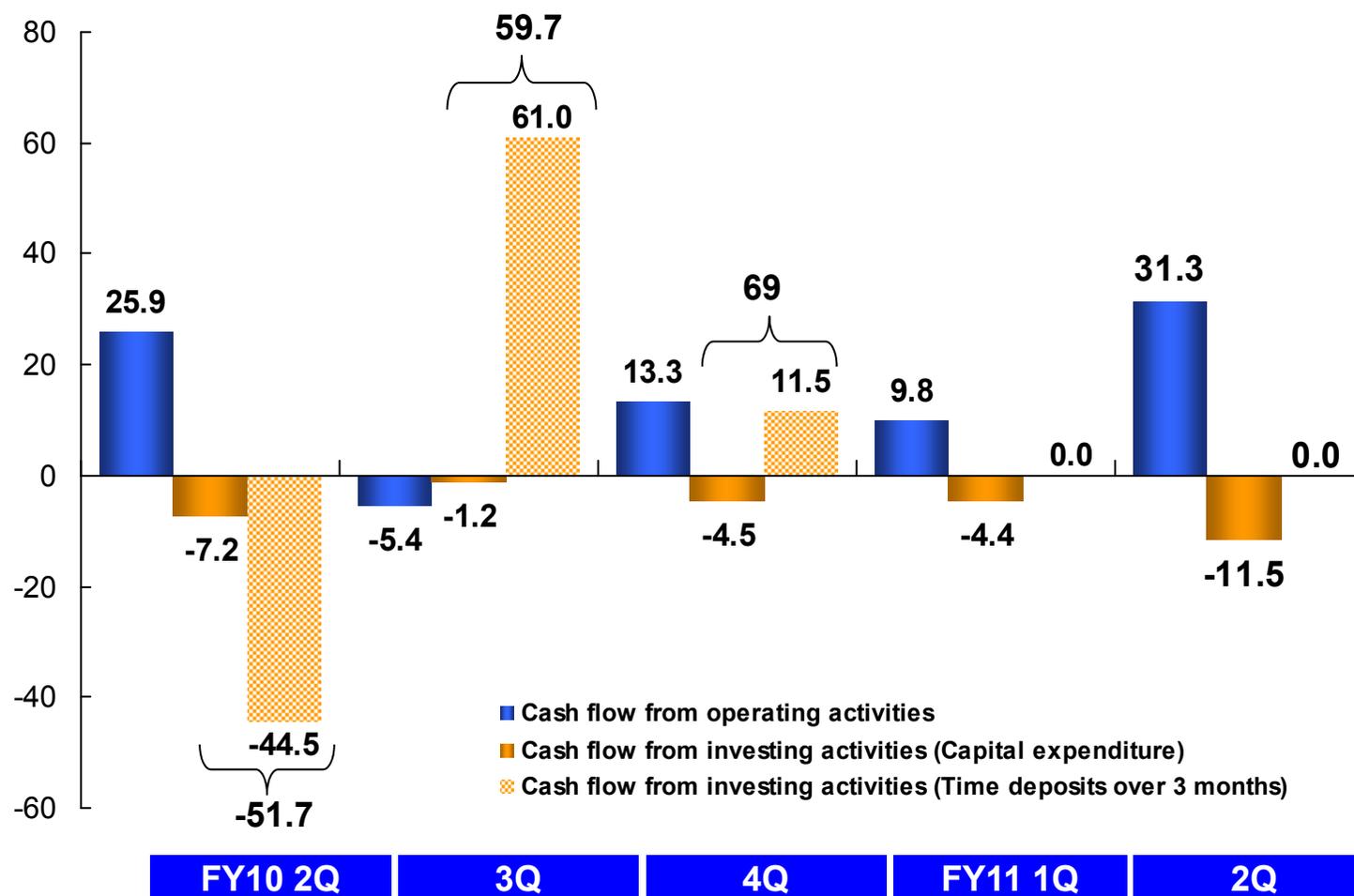
Liabilities & Net Assets



2Q FY2011 Financial Summary (For 3 months)

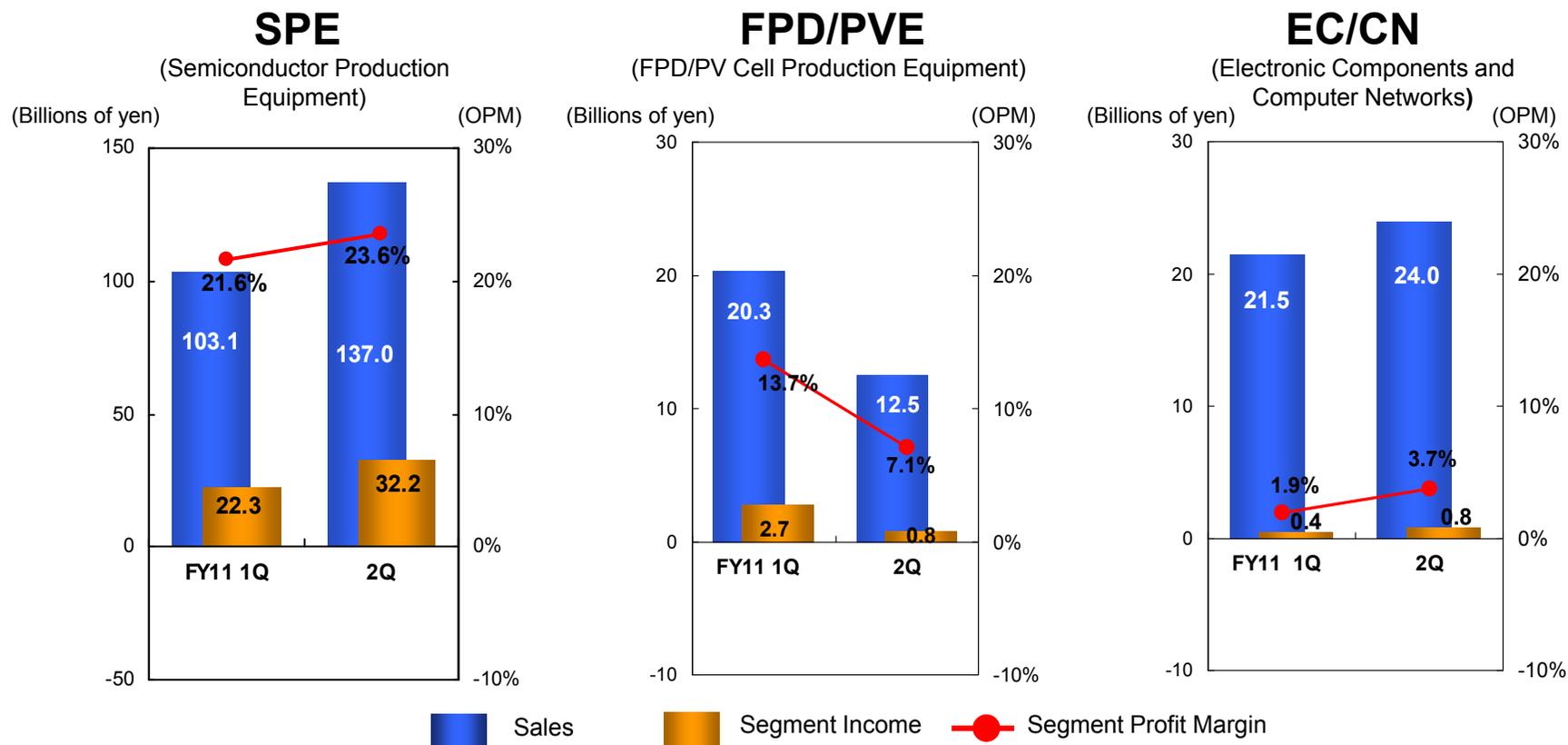
Cash Flow

(Billions of Yen)



2Q FY2011 Financial Summary (For 3 months)

Segment Information



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■ **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.

■ **Exchange Risk**

In principle, export sales of Tokyo Electron's mainstay semiconductor and FPD/PV cell 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.

FPD/PV: Flat panel display/Photovoltaic

