

TOKYO ELECTRON

FY2010 Financial Announcement

May 12, 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.



TOKYO ELECTRON

FY2010 Financial Summary

FY2009: April 1, 2008 - March 31, 2009
FY2010: April 1, 2009 - March 31, 2010

May 12, 2010

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



TOKYO ELECTRON

FY2010 Financial Summary

Consolidated Financial Results

(Billions of Yen)

	FY09	FY10	YoY change	YoY change
Net sales	508.0	418.6	-89.4	-17.6%
SPE	325.3	262.3	-62.9	-19.4%
FPD/PVE	88.1	71.3	-16.7	-19.0%
EC/CN	94.2	84.4	-9.7	-10.3%
Others	0.3	0.4	+0.0	+6.8%
Gross profit	137.4 (27.0%)	108.3 (25.9%)	-29.0	-21.2%
SG&A expenses	122.6	110.4	-12.2	-9.9%
Operating income	14.7 (2.9%)	-2.1 (-0.5%)	-16.8	-
Ordinary income	20.5	2.5	-17.9	-87.6%
EBIT	9.6	-7.7	-17.4	-
Net income	7.5	-9.0	-16.5	-

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.

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 ()
3. YoY changes and profit ratios are calculated using full amounts, before rounding.



FY2010 Financial Summary

Consolidated Financial Results

(Billions of Yen)

	FY09			FY10		
	1H	2H	Total	1H	2H	Total
Net sales	301.2	206.8	508.0	153.8	264.7	418.6
SPE	208.7	116.6	325.3	82.1	180.2	262.3
FPD/PVE	40.1	47.9	88.1	30.7	40.6	71.3
EC/CN	52.1	42.0	94.2	40.7	43.6	84.4
Others	0.2	0.1	0.3	0.2	0.1	0.4
Gross profit	91.0 (30.2%)	46.3 (22.4%)	137.4 (27.0%)	30.8 (20.1%)	77.4 (29.3%)	108.3 (25.9%)
SG&A expenses	64.7	57.9	122.6	52.4	58.0	110.4
Operating income	26.2 (8.7%)	-11.5 (-5.6%)	14.7 (2.9%)	-21.6 (-14.0%)	19.4 (7.3%)	-2.1 (-0.5%)
Ordinary income	28.9	-8.3	20.5	-19.2	21.7	2.5
EBIT	28.6	-19.0	9.6	-26.2	18.4	-7.7
Net income	17.3	-9.8	7.5	-16.1	7.1	-9.0

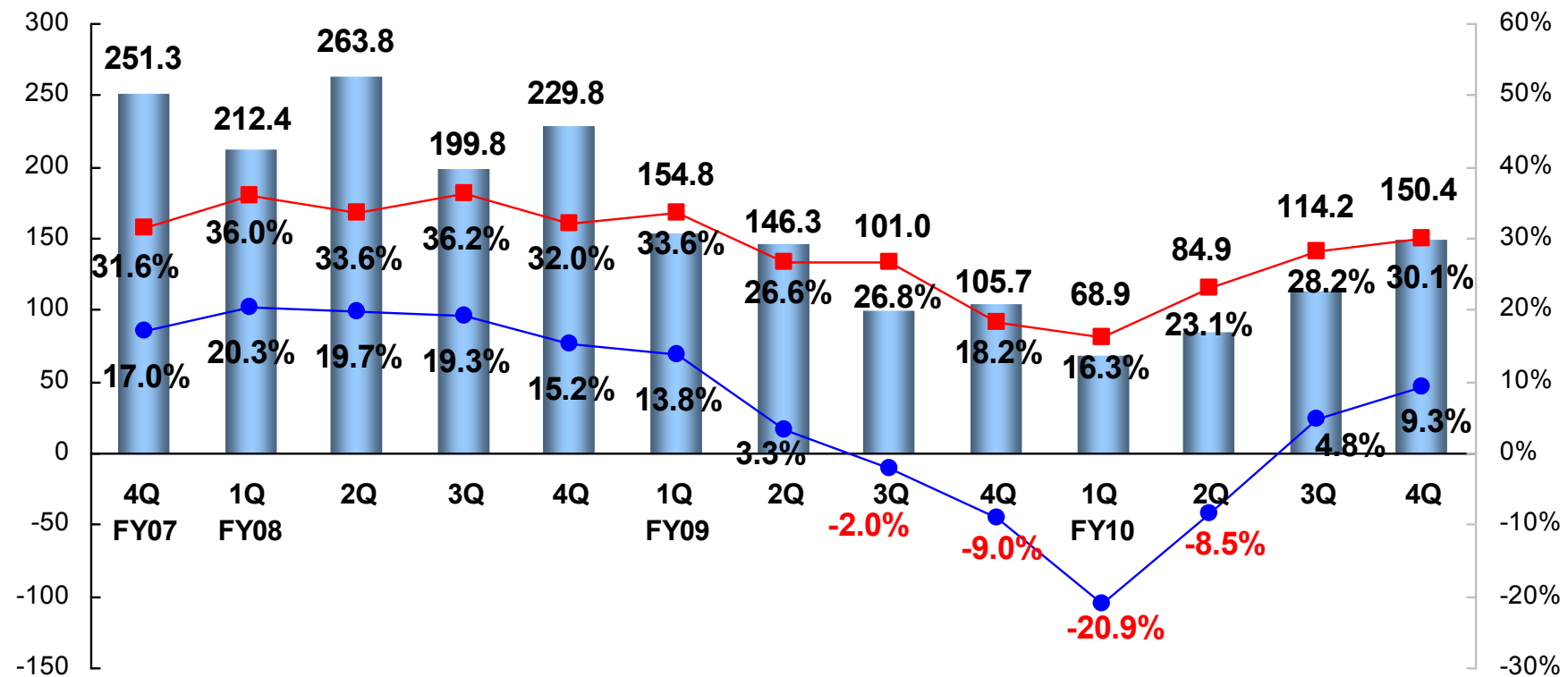
**Increased sales of SPE led to major improvement
in second half results**



FY2010 Financial Summary

Net Sales & Profit Ratio

(Billions of Yen)

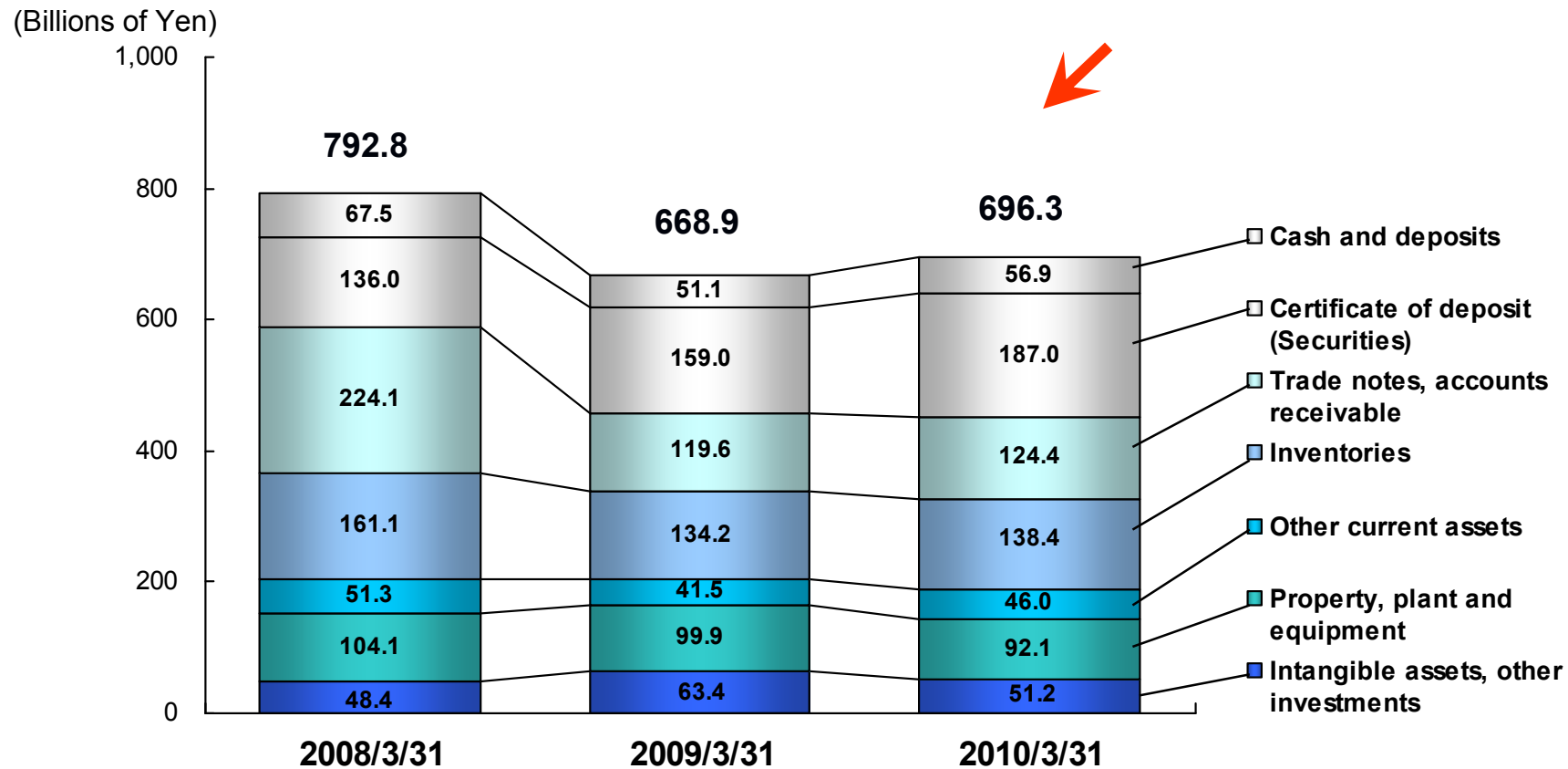


■ Net sales
 ■ Gross profit margin
 ● OP margin



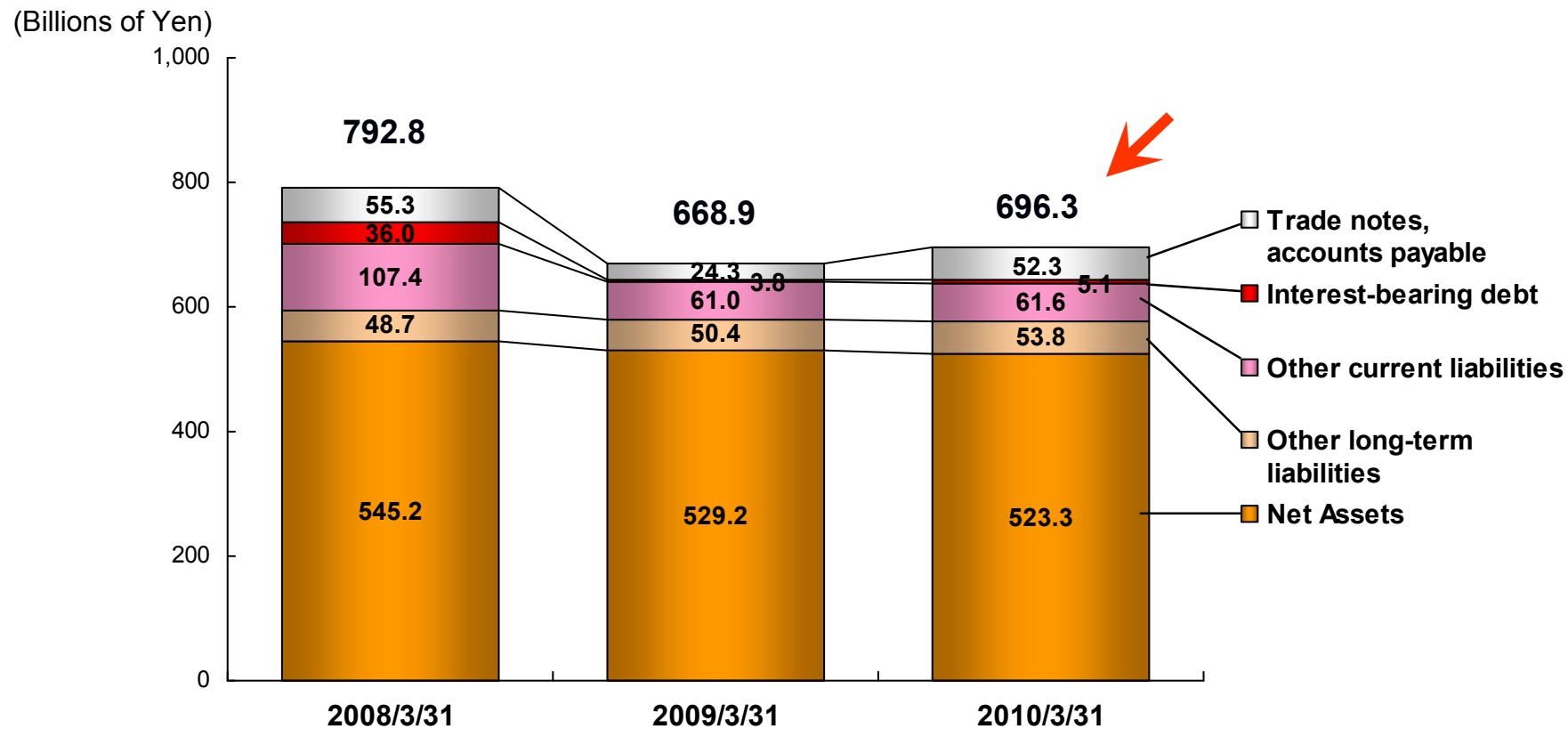
FY2010 Financial Summary

Assets



FY2010 Financial Summary

Liabilities & Net Assets



Debt to Equity Ratio

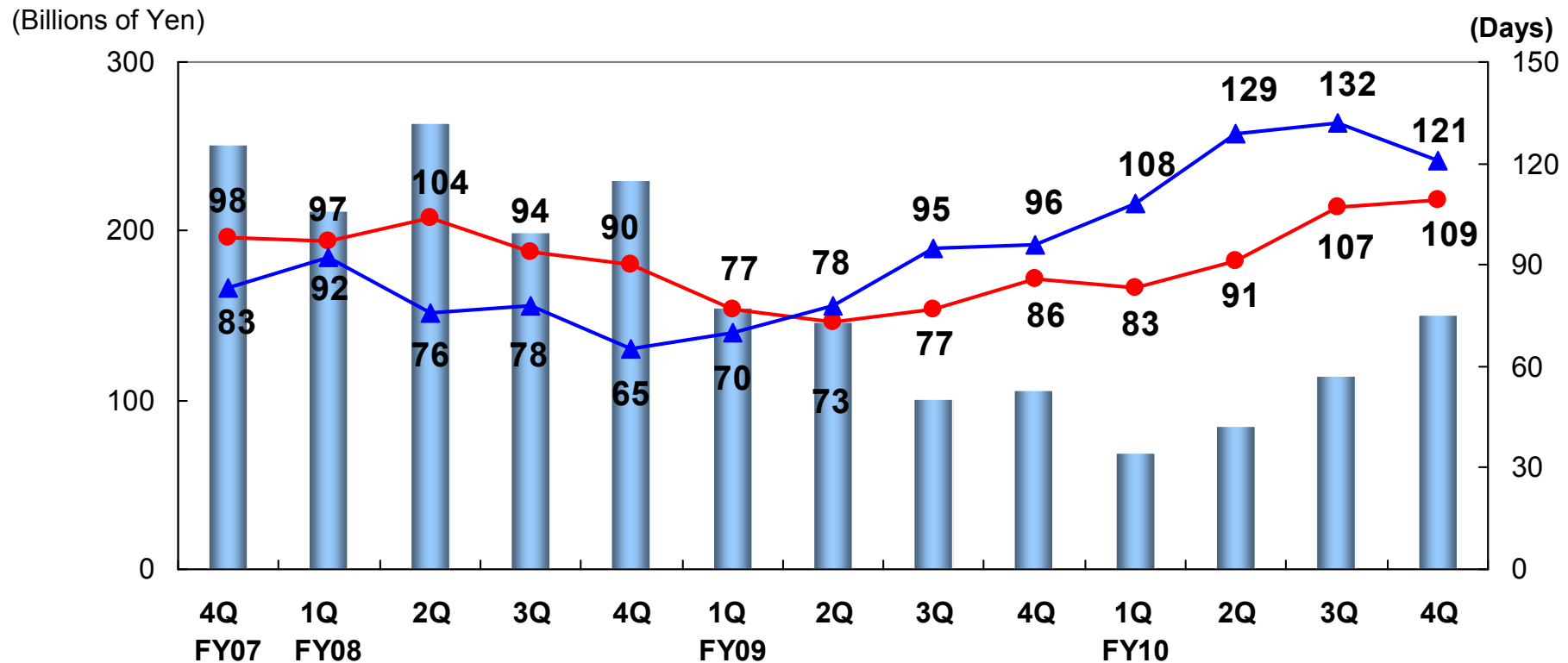


● Equity = Net Assets – (Subscription rights to shares + Minority interests)



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



FY2010 Financial Summary

Cash Flow

(Billions of Yen) 

		2008/3	2009/3	2010/3
Cash flow from operating activities		116.9	81.0	48.2
	Income before income taxes	169.2	9.6	-7.7
	Depreciation and amortization	21.4	23.0	20.0
	Increase in AP, AR and inventories	3.4	93.7	18.2
	Others	-77.1	-45.4	17.8
Cash flow from investing activities		-30.1	-160.6	9.6
	Payment for purchase of property, plant, equipment, etc	-15.0	-16.5	-13.7
	Others (Time deposits over 3 months, etc)	-15.1	-144.0	23.3
Cash flow from financing activities		-27.0	-46.0	-0.2
	Increase in interest bearing debt	-4.1	-32.2	1.2
	Dividends paid	-23.4	-13.4	-1.4
	Others	0.5	-0.3	-0.1
Effect of exchange rate changes on cash and cash equivalents		-0.6	-2.0	0.4
Net increase in cash and cash equivalents		59.1	-127.6	58.0
Cash and cash equivalents at beginning of term		134.3	193.4	65.8
Cash and cash equivalents at end of term		193.4	65.8	123.9
Reference; Cash and deposits at end of term (certificate of deposits included)		203.5	210.1	243.9



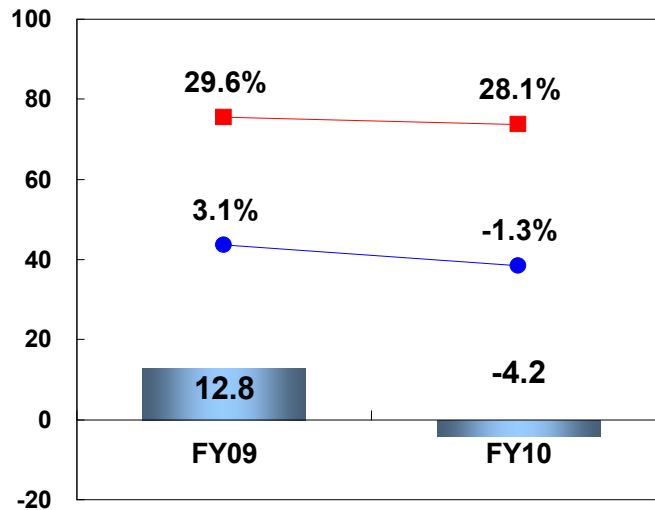
FY2010 Financial Summary

Segment Information by Business Type

Industrial Electronic Equipment

(SPE,FPD/PVE, other)

(Billions of Yen)

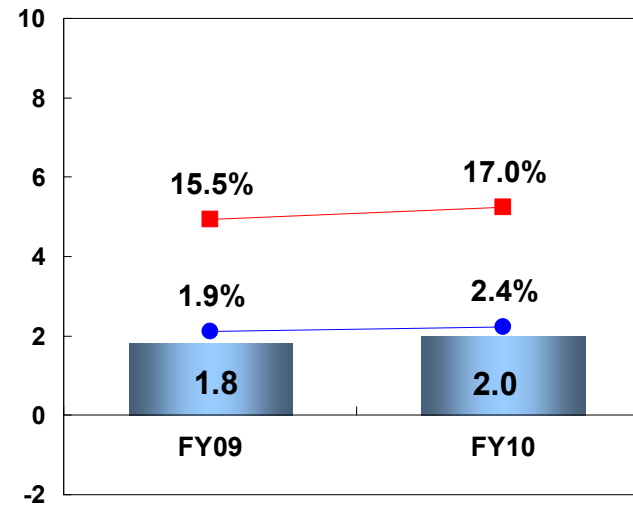


■ Operating income ● Operating margin
■ Gross margin

Electronic Components & Computer Networks

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

(Billions of Yen)



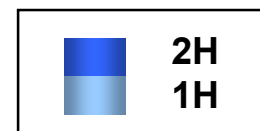
■ Operating income ● Operating margin
■ Gross margin

● Segment gross margin is provided for reference.



FY2010 Financial Summary

Net Sales by Division



SPE Division

(Semiconductor Production Equipment)

FPD/PVE Division

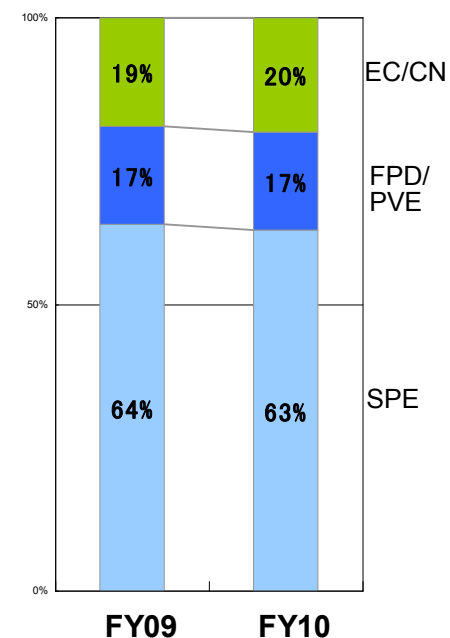
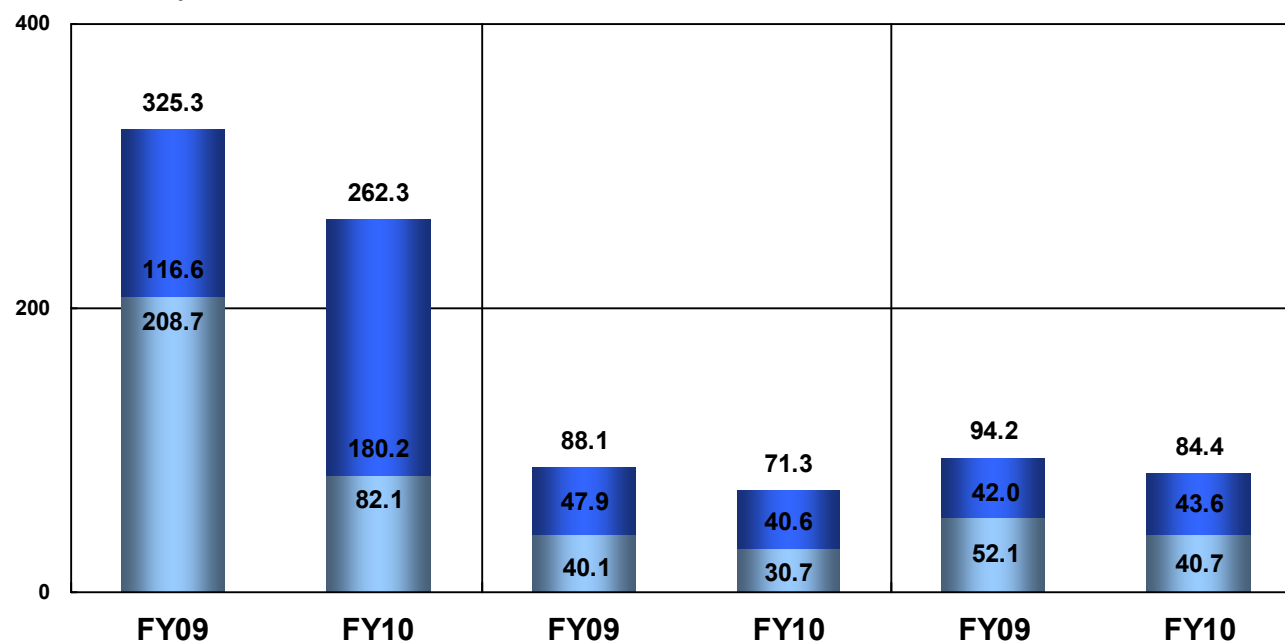
(FPD/PV Cell Production Equipment)

EC/CN Division

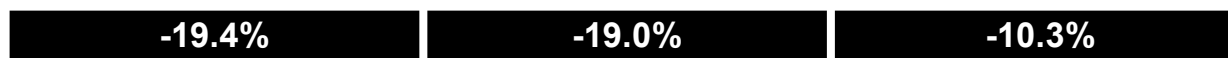
(Electronic Components, Computer Networks)

Composition

(Billions of Yen)



FY10 vs FY09

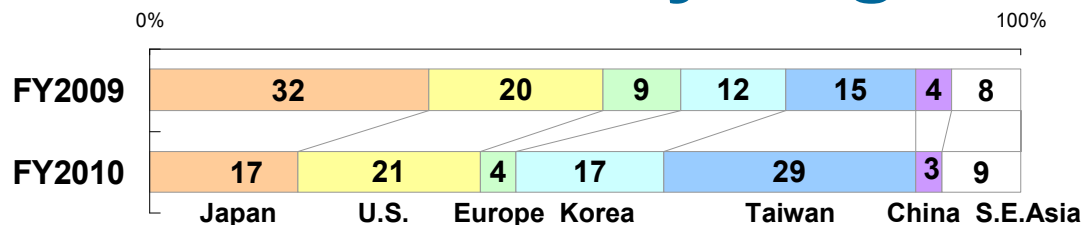
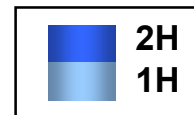


● In addition to the above 3 divisions, there is "Others" division.



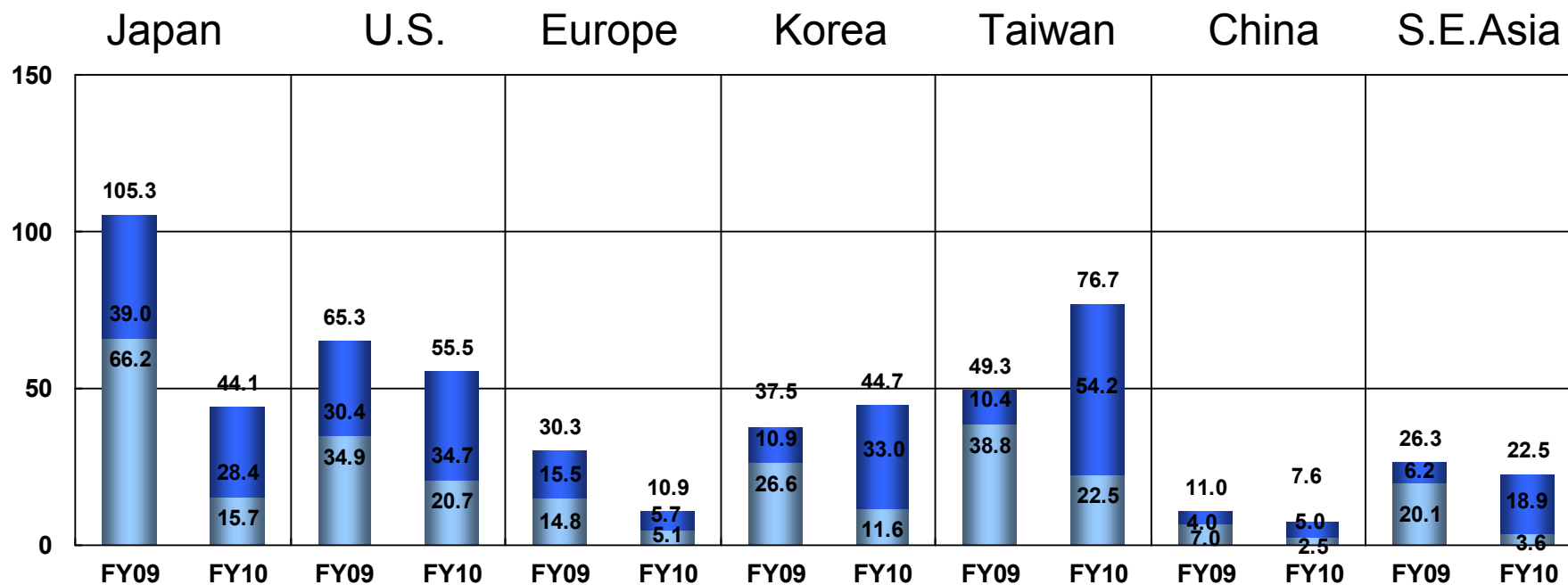
FY2010 Financial Summary

SPE Sales by Region



FY2009 325.3 bil yen
FY2010 262.3 bil yen

(Billions of Yen)

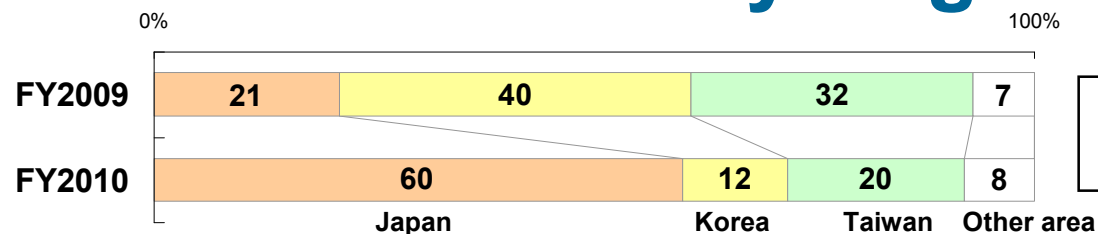
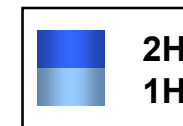


FY10 vs FY09



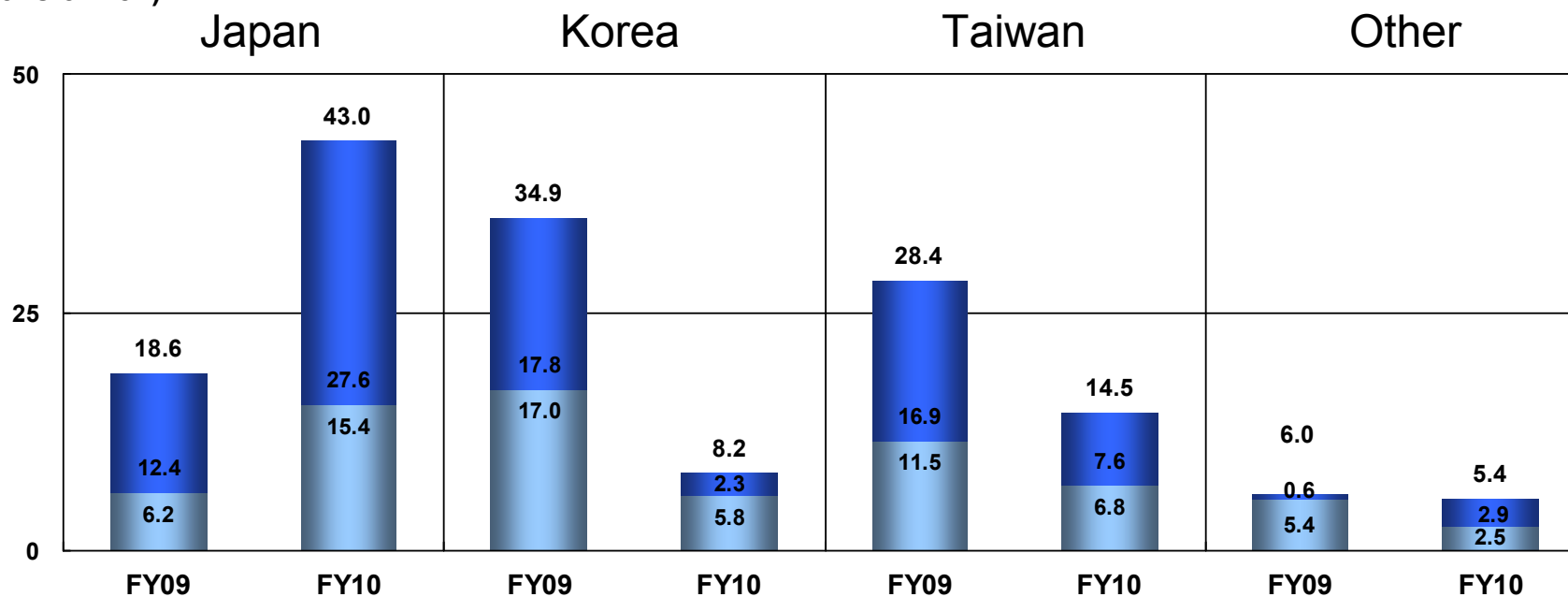
FY2010 Financial Summary

FPD/PVE Sales by Region



FY2009 88.1 bil yen
 FY2010 71.3 bil yen

(Billions of Yen)

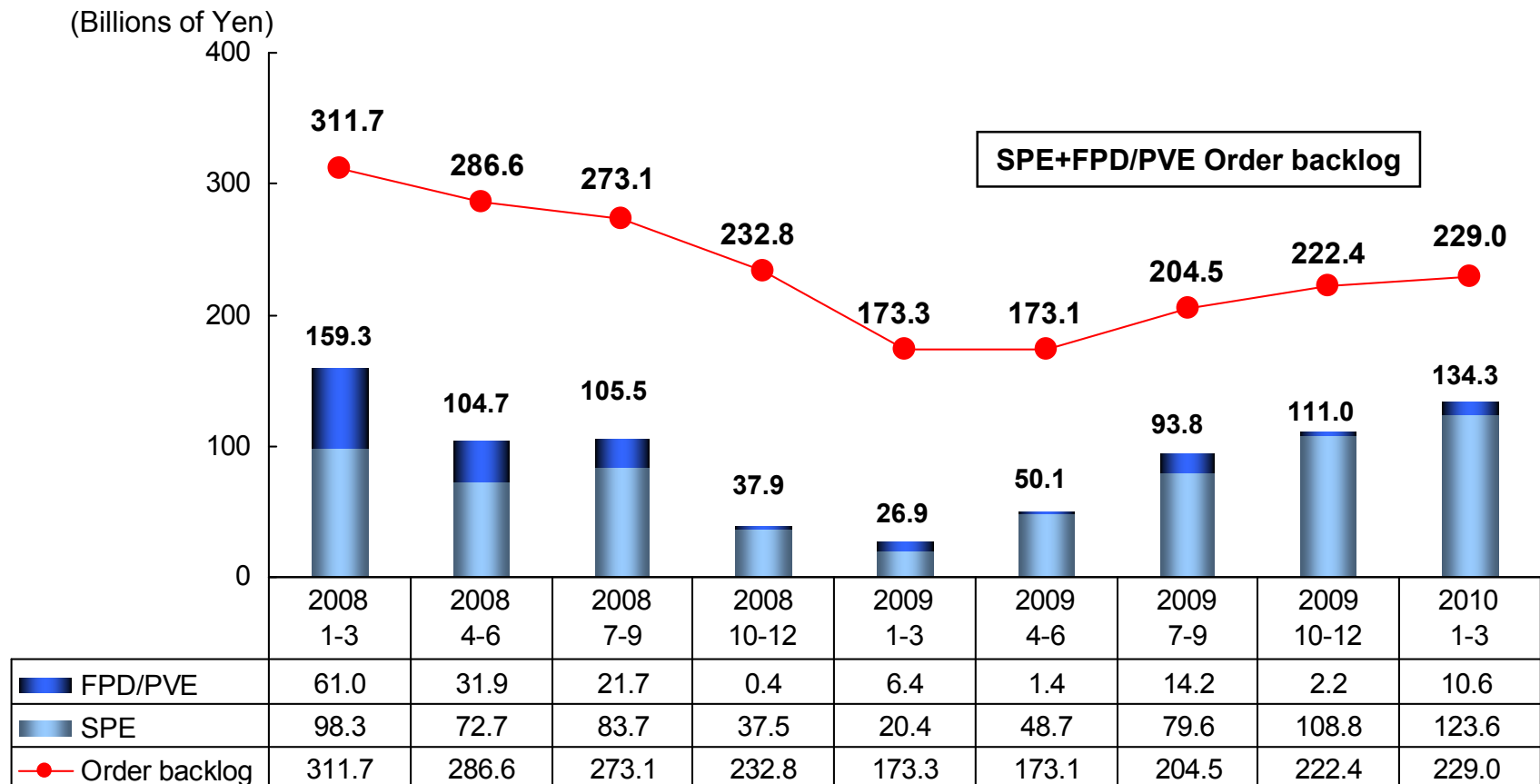


FY10 vs FY09



FY2010 Financial Summary

SPE+FPD/PVE Orders, Order Backlog



Order backlog breakdown

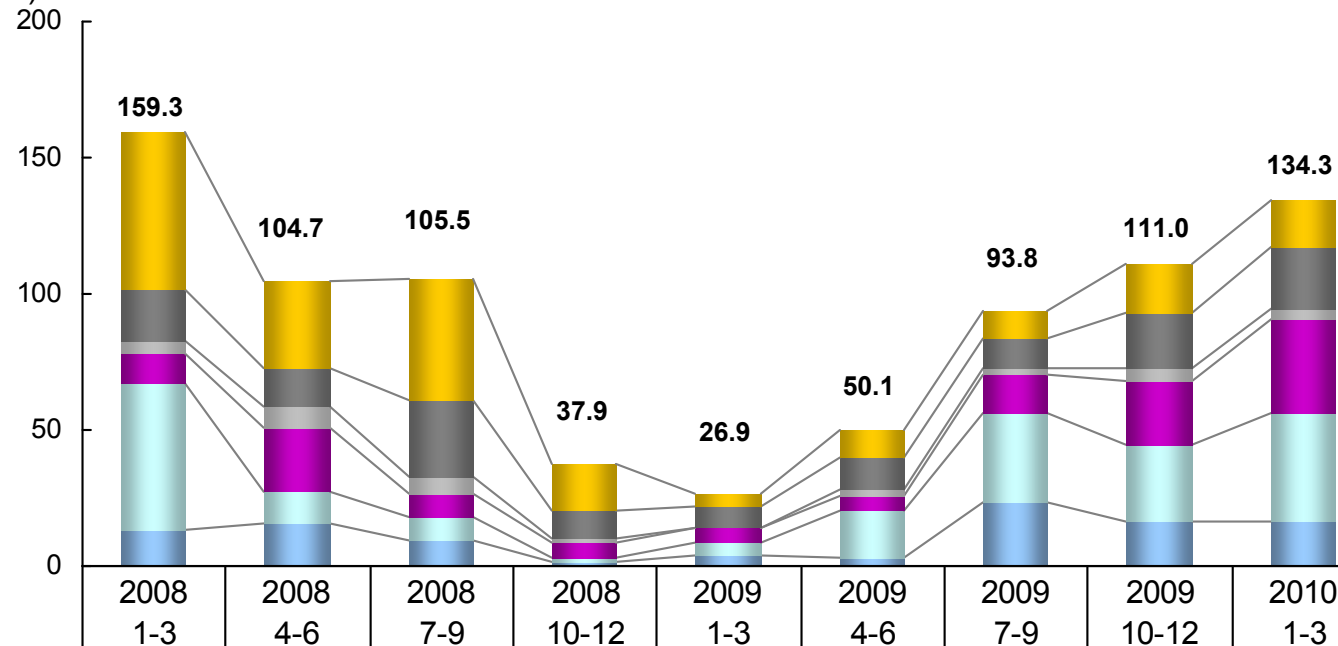
FPD/PVE	127.1	141.7	140.6	120.6	99.5	81.0	84.4	70.0	56.7
SPE	184.6	144.8	132.5	112.2	73.7	92.0	120.0	152.3	172.3



FY2010 Financial Summary

SPE+FPD/PVE Orders by Region

(Billions of Yen)



■ Japan	57.4	31.8	44.4	17.3	4.6	10.1	10.2	18.1	16.8
■ U.S.	18.4	14.3	28.1	10.4	8.2	11.8	11.0	20.2	23.3
■ Europe	4.9	7.9	5.9	1.5	0.1	1.9	2.2	4.5	3.8
■ Korea	11.3	22.8	9.0	5.6	5.1	5.6	13.7	23.4	34.3
■ Taiwan	53.4	12.1	8.8	1.2	4.5	17.5	33.1	28.4	40.0
■ China, Southeast Asia & Others	13.6	15.6	9.1	1.7	4.1	3.0	23.4	16.3	16.1



FY2010 Quarterly Data



FY2010 Financial Summary

Financial Summary

(Billions of Yen)

	FY2010				
	1Q	2Q	3Q	4Q	Total
Net Sales	68.9	84.9	114.2	150.4	418.6
Gross profit	11.1 (16.3%)	19.6 (23.1%)	32.2 (28.2%)	45.2 (30.1%)	108.3 (25.9%)
SG&A expenses	25.5	26.9	26.7	31.2	110.4
Operating income	-14.3 (-20.9%)	-7.2 (-8.5%)	5.5 (4.8%)	13.9 (9.3%)	-2.1 (-0.5%)
Ordinary income	-14.0	-5.1	6.5	15.1	2.5
EBIT	-18.4	-7.8	3.7	14.7	-7.7
Net income	-11.0	-5.1	-0.0	7.1	-9.0
R&D expenses	12.1	13.0	13.2	15.6	54.0
CAPEX	1.1	7.0	1.6	5.0	14.9
Depreciation	4.9	4.9	5.0	5.0	20.0

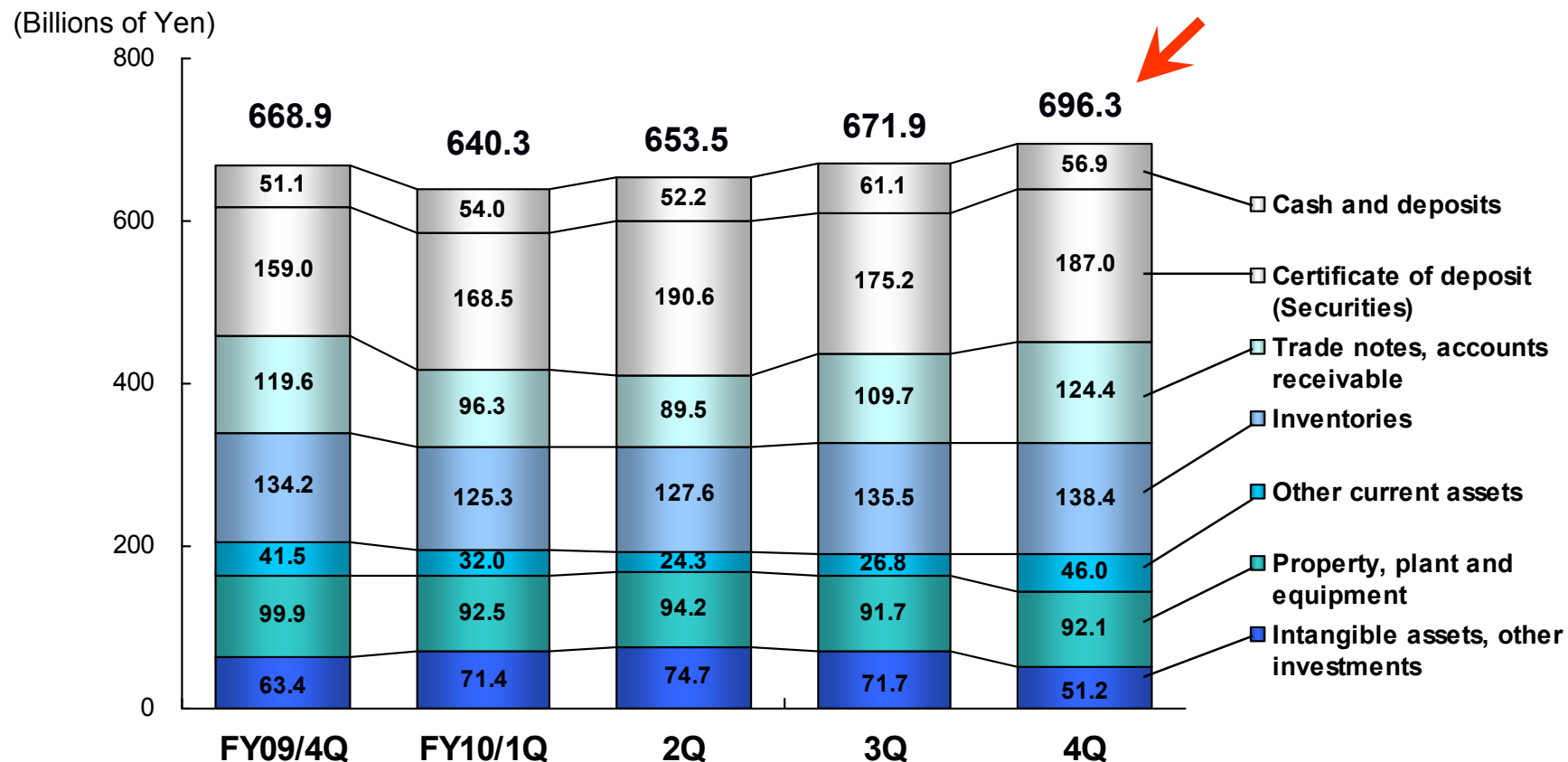
In principle, export sales of Tokyo Electron's mainstay semiconductor and FPD/PV production equipment are denominated in yen. While some settlements are denominated in dollars, exchange risk is hedged as forward exchange contracts are made individually at the time of booking. Accordingly, the effect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

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



FY2010 Financial Summary

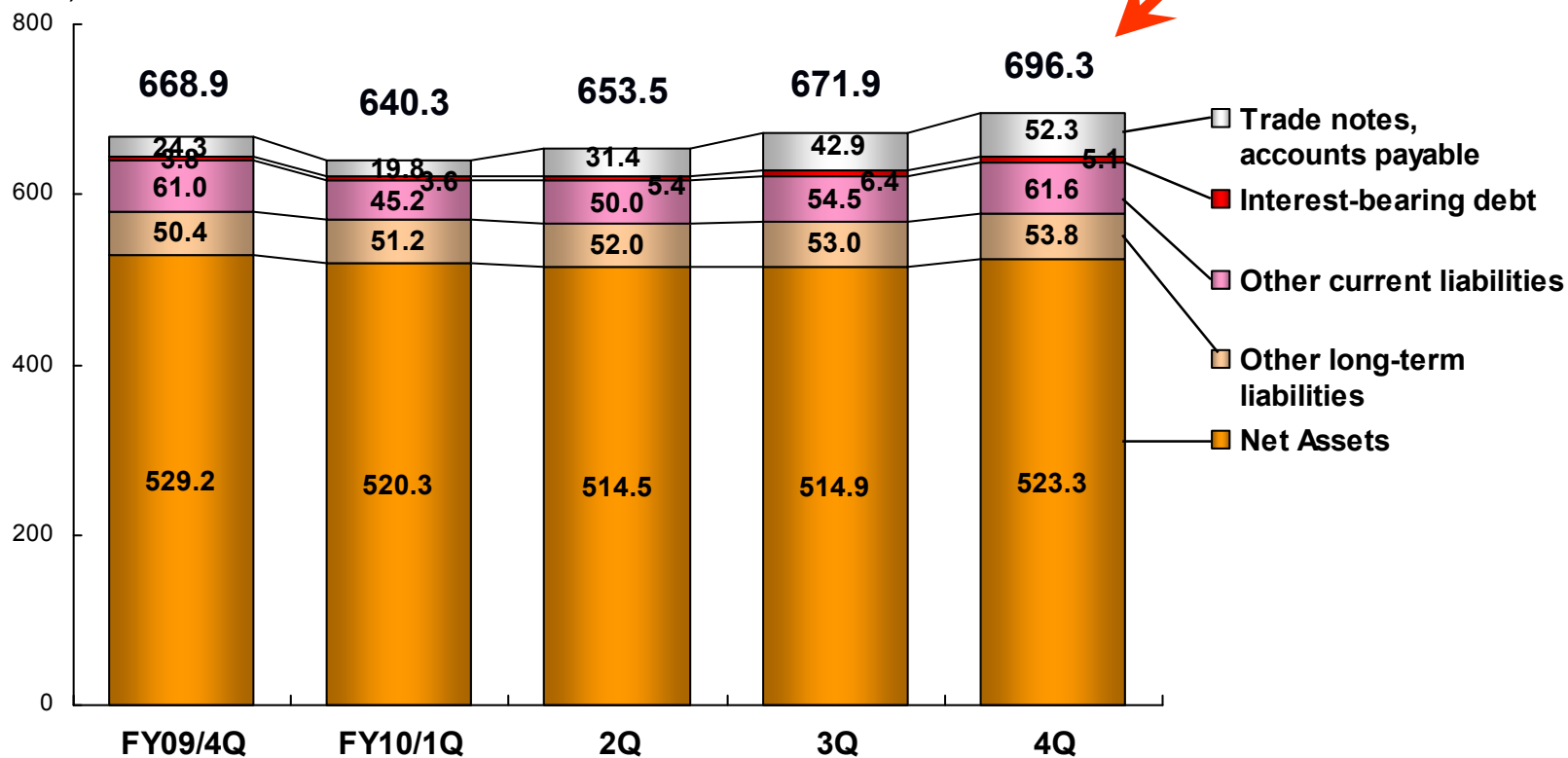
Assets



FY2010 Financial Summary

Liabilities & Net Assets

(Billions of Yen)



Debt to Equity Ratio



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



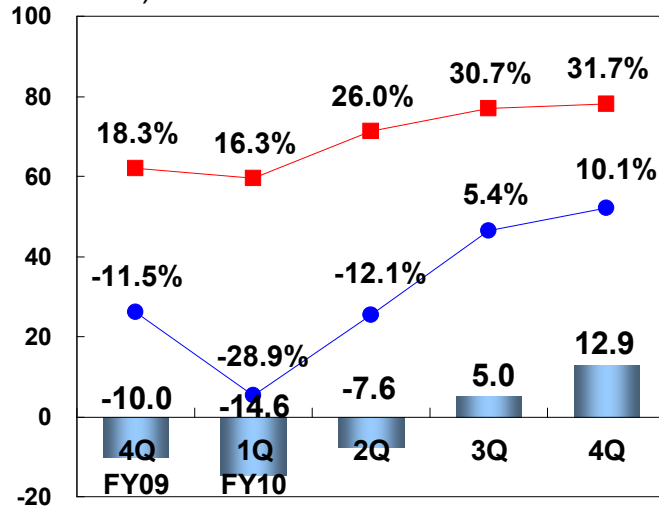
FY2010 Financial Summary

Segment Information by Business Type

Industrial Electronic Equipment

(SPE,FPD/PVE, other)

(Billions of Yen)

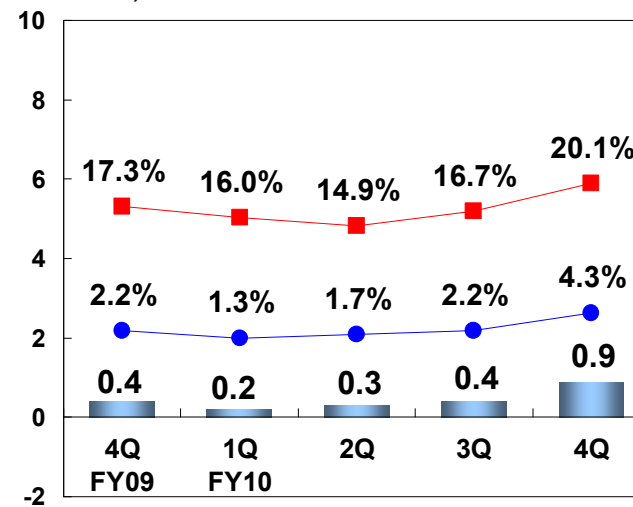


■ Operating income ● Operating margin
■ Gross margin

Electronic Components & Computer Networks

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

(Billions of Yen)



■ Operating income ● Operating margin
■ Gross margin

● Segment gross margin is provided for reference.



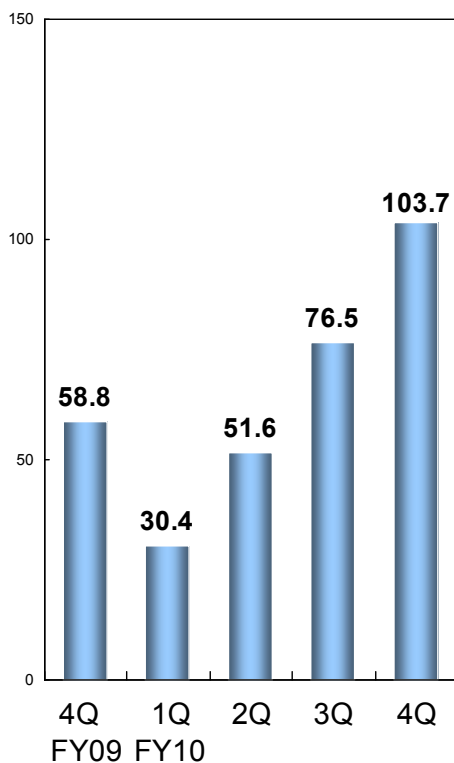
FY2010 Financial Summary

Sales by Division

SPE Division

(Semiconductor Production Equipment)

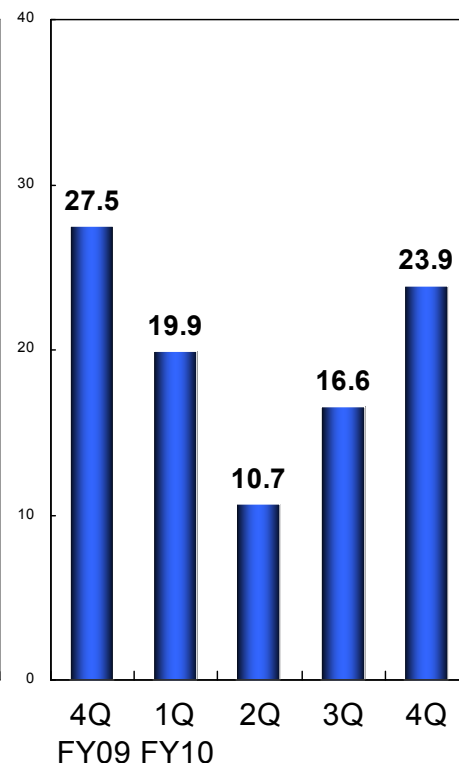
(Billions of Yen)



FPD/PVE Division

(FPD/PV Cell Production Equipment)

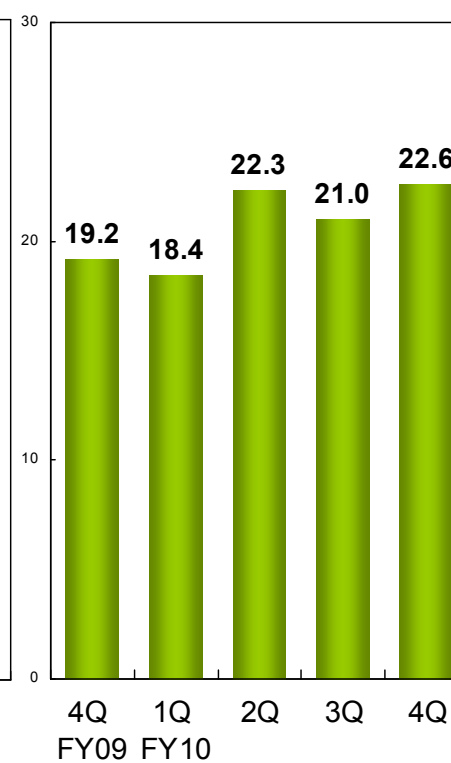
(Billions of Yen)



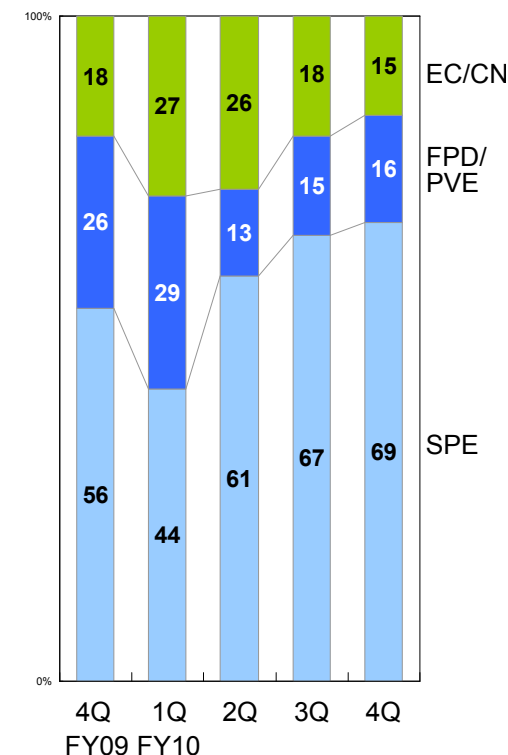
EC/CN Division

(Electronic Components, Computer Networks)

(Billions of Yen)



Composition



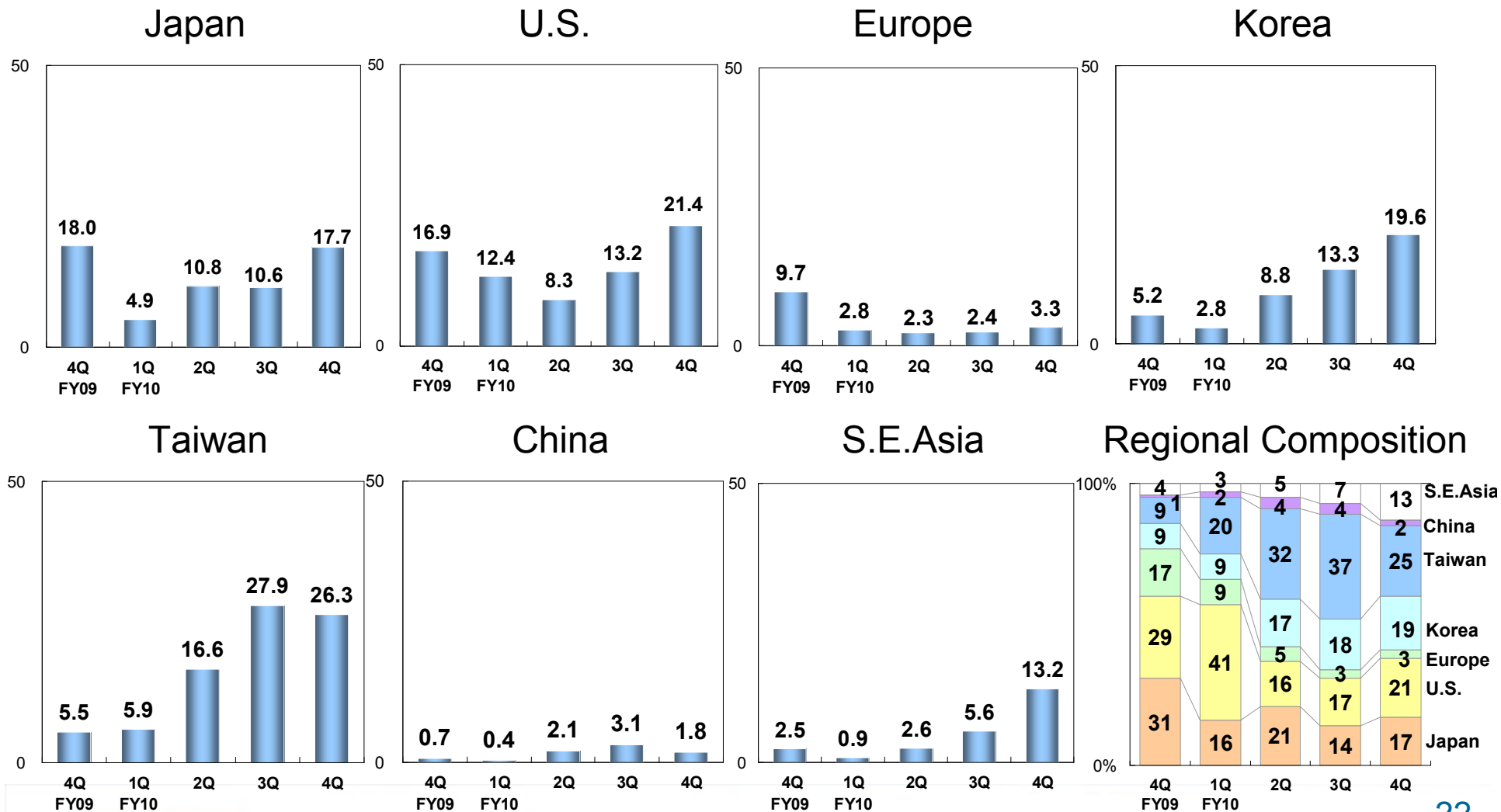
● In addition to the above 3 divisions, there is "Others" division. (FY10/4Q sales of 0.1 billion yen)



FY2010 Financial Summary

SPE Sales by Region

(Billions of Yen)

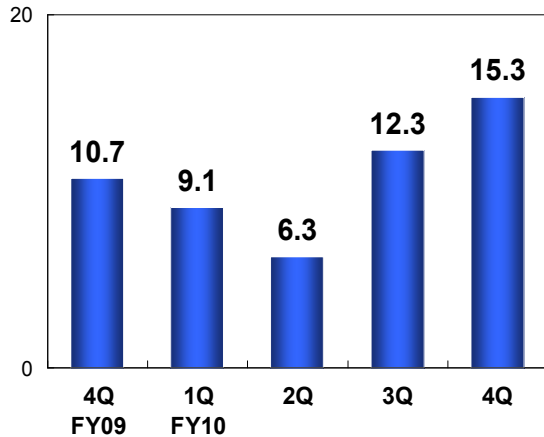


FY2010 Financial Summary

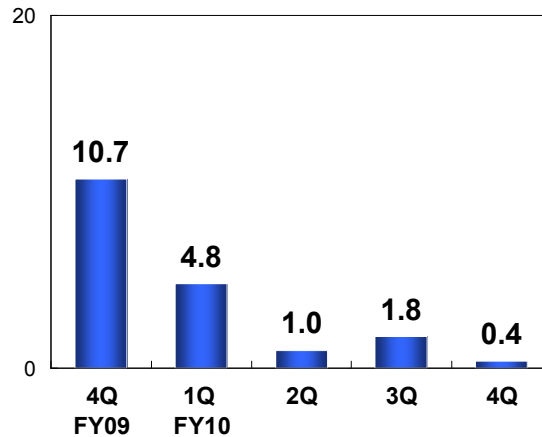
FPD/PVE Sales by Region

(Billions of Yen)

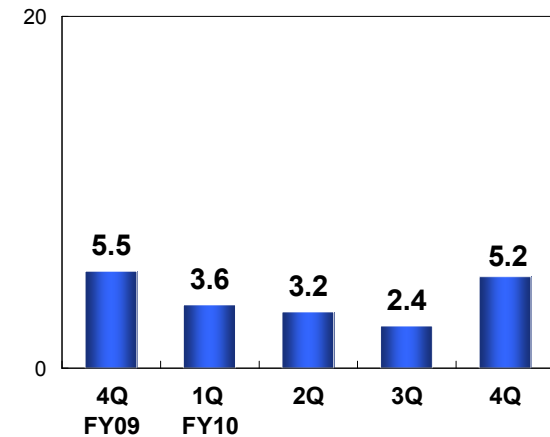
Japan



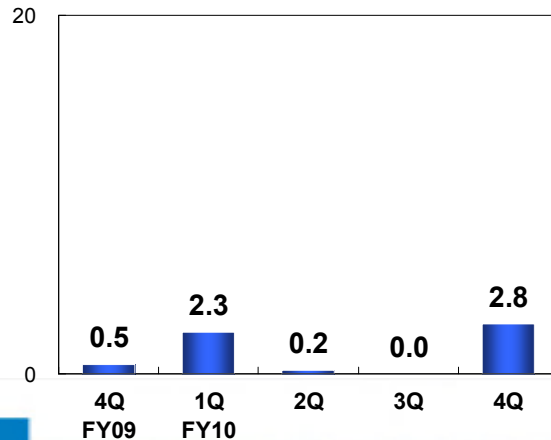
Korea



Taiwan



China, Southeast Asia & Other



Regional Composition

