

TOKYO ELECTRON

2Q FY2010 Financial Announcement

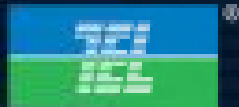
October 30, 2009

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 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

2Q FY2010 Financial Summary

2Q FY2010: July 1, 2009 - September 30, 2009
1H FY2010: April 1, 2009 - September 30, 2009
FY2010: April 1, 2009 - March 31, 2010

October 30, 2009

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



TOKYO ELECTRON

2Q FY2010 Financial Summary

Consolidated Financial Results

(Billions of Yen)

	FY2009 1H	FY2010 1H	YoY change		FY2010 1H (31 July, estimate)	YoY change (%)
Net sales	301.2	153.8	-147.3	-48.9%	144.0	9.8
SPE	208.7	82.1	-126.5	-60.6%	77.0	5.1
FPD/PVE	40.1	30.7	-9.4	-23.5%	30.5	0.2
EC/CN	52.1	40.7	-11.3	-21.7%	36.5	4.2
Others	0.2	0.2	-0.0	-3.2%	0.0	0.2
Gross profit	91.0 (30.2%)	30.8 (20.1%)	-60.1	-66.1%	-	-
SG&A expenses	64.7	52.4	-12.2	-19.0%	-	-
Operating income	26.2 (8.7%)	-21.6 (-14.0%)	-47.9	-	-36.0 (-25.0%)	14.3
Ordinary income	28.9	-19.2	-48.1	-	-35.0	15.7
EBIT	28.6	-26.2	-54.9	-	-41.0	14.7
Net income	17.3	-16.1	-33.5	-	-26.0	9.8

SPE: Semiconductor Production Equipment, FPD/PVE: Flat Panel Display and Photovoltaic Cell Production Equipment, EC/CN: Electronic Components and Computer Networks, (): Profit ratio

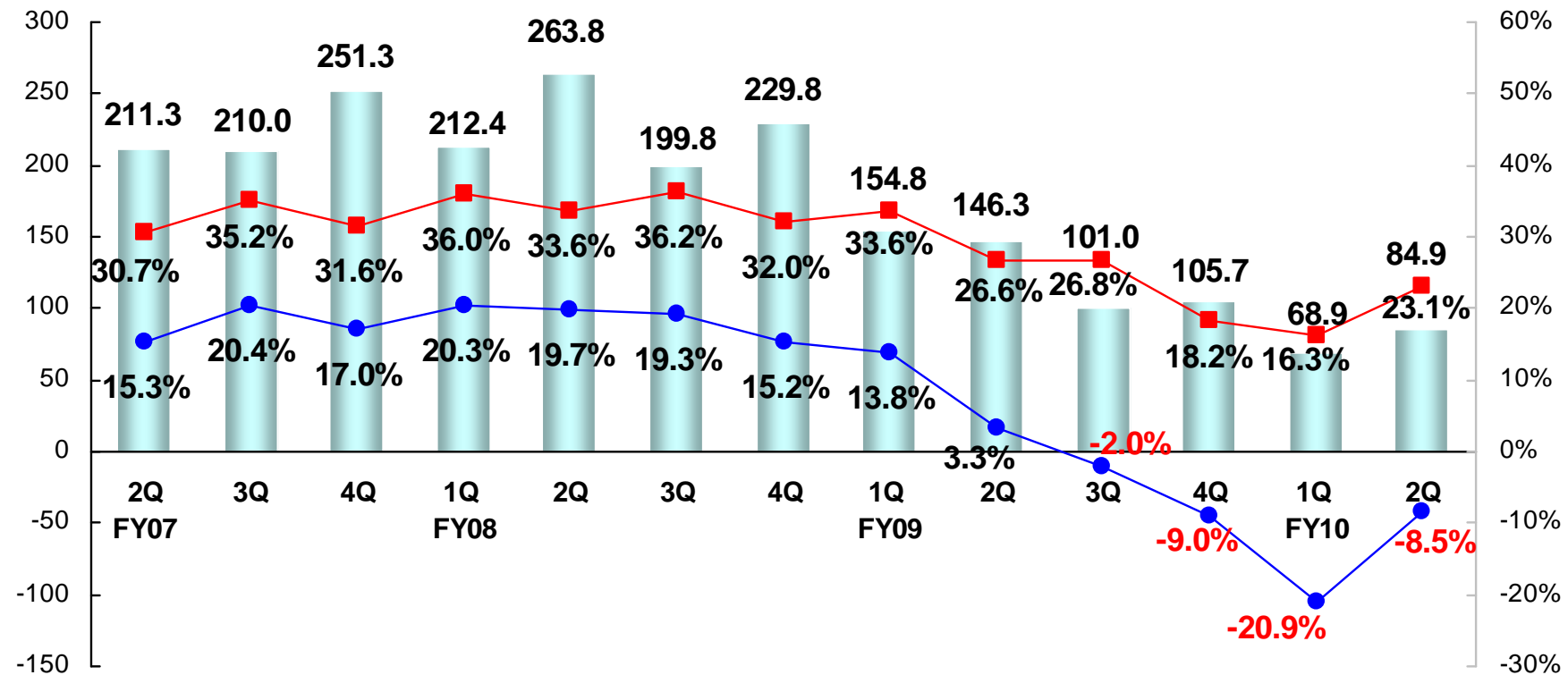
SPE sales improved beyond assumption with the recovery of semiconductor market



2Q FY2010 Financial Summary

Net Sales & Profit Ratio

(Billions of Yen)



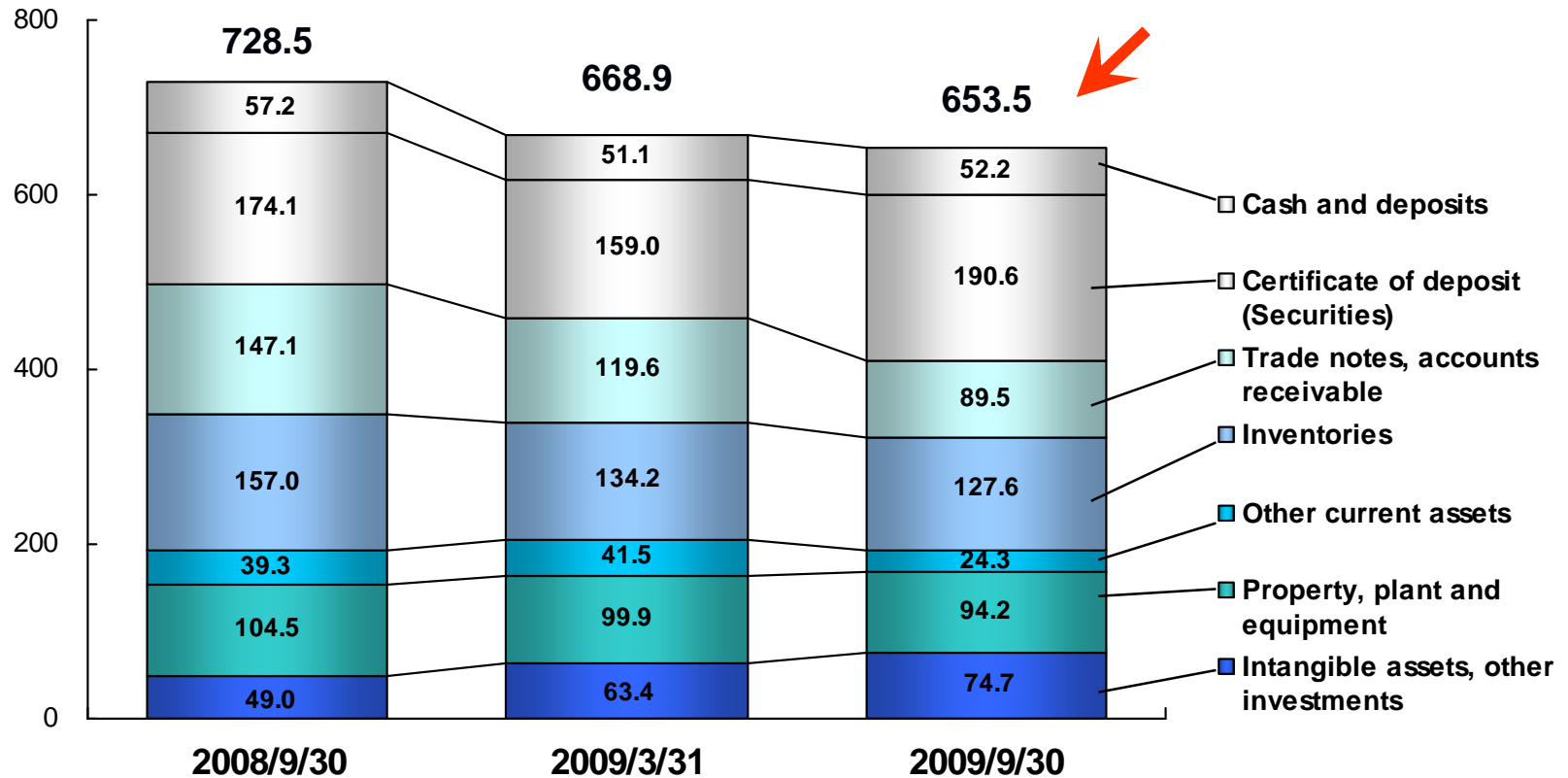
Net sales
 Gross profit margin
 OP margin



2Q FY2010 Financial Summary

Assets

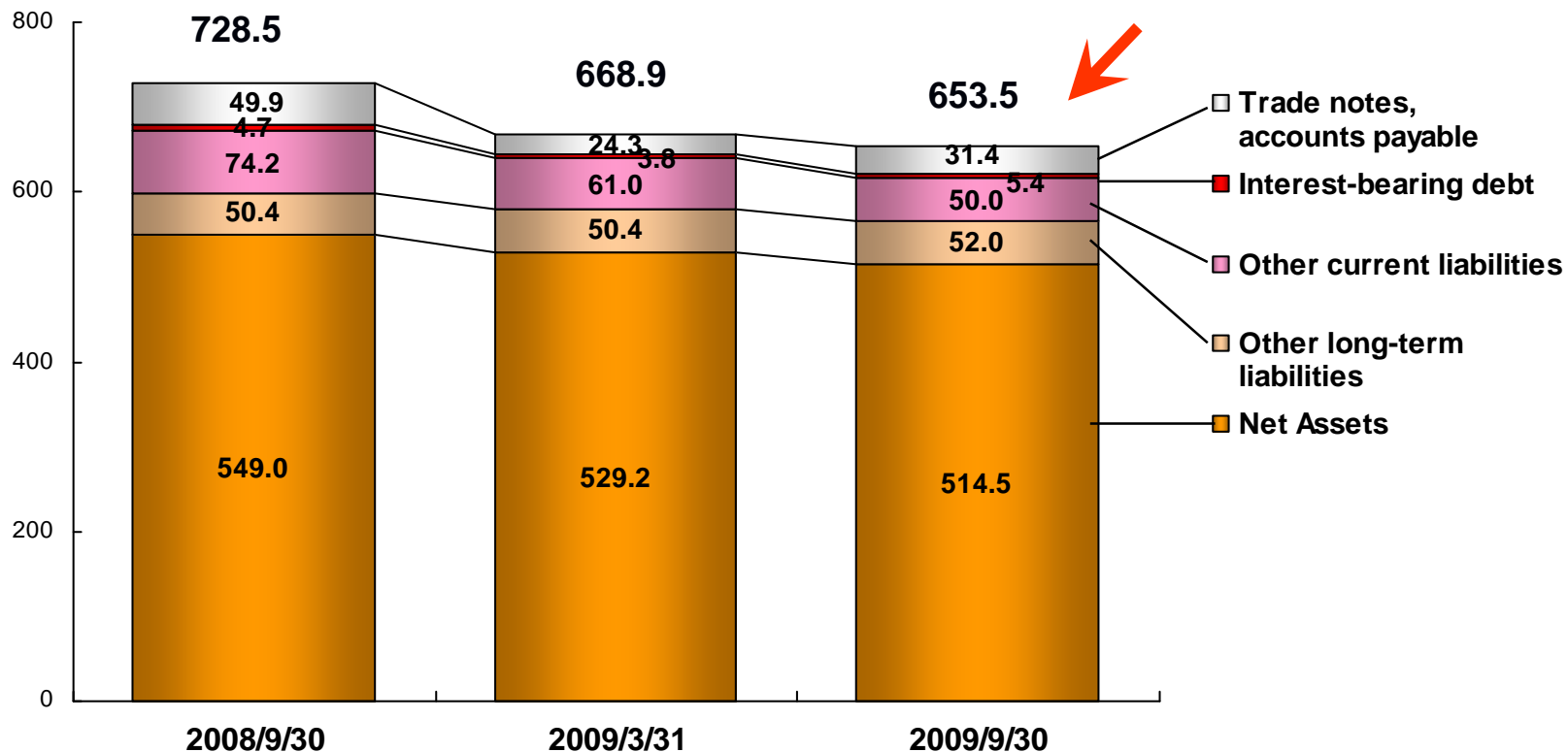
(Billions of Yen)



2Q FY2010 Financial Summary

Liabilities & Net Assets

(Billions of Yen)



Debt to Equity Ratio

0.9%

0.7%

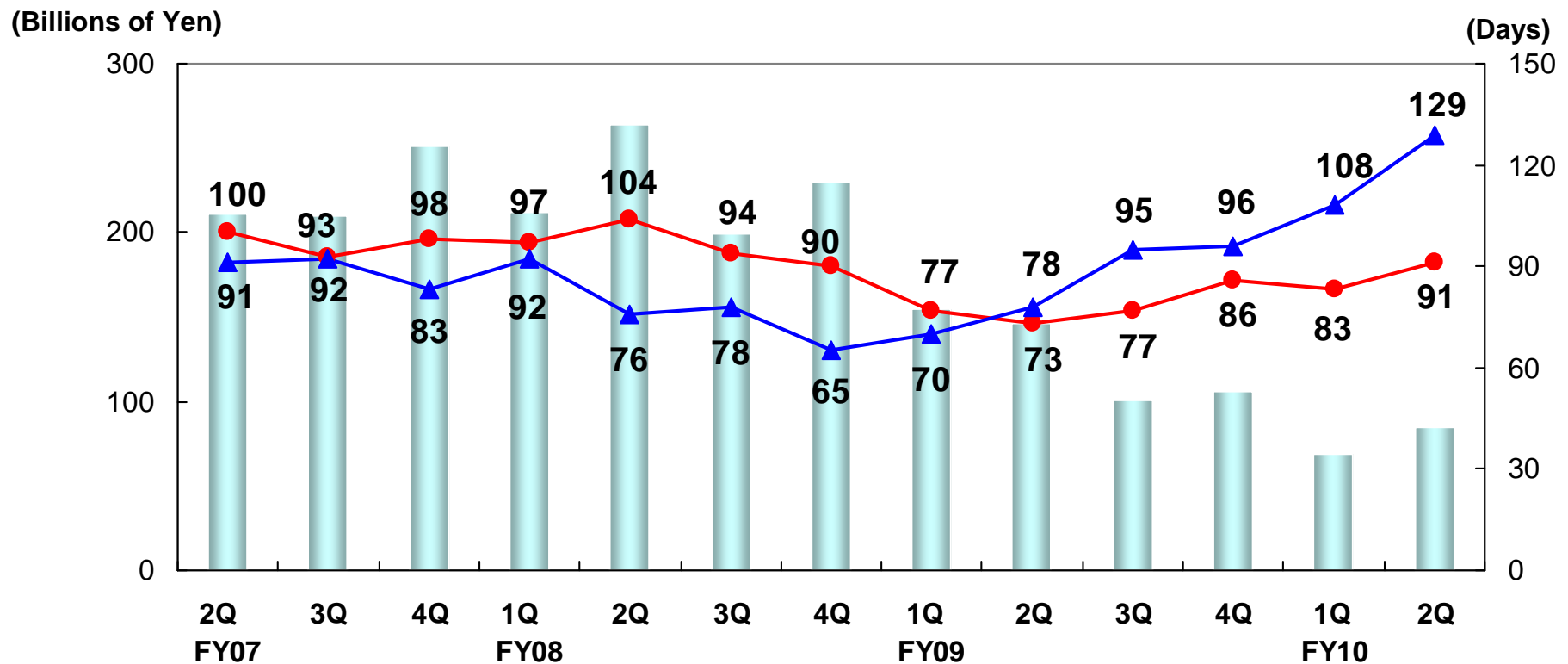
1.1%

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



2Q 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



2Q FY2010 Financial Summary

Cash Flow



(Billions of Yen)

		FY2009 1H 6 months	FY2010 1H 6 months	FY2009 Full year
Cash flow from operating activities		84.6	40.3	81.0
	Income before income taxes	28.6	-26.2	9.6
	Depreciation and amortization	10.7	9.8	23.0
	Increase in AP, AR and inventories	73.7	43.3	93.7
	Others	-28.6	13.4	-45.4
Cash flow from investing activities		-103.9	-57.1	-160.6
	Payment for purchase of property, plant, equipment, etc	-10.3	-8.3	-17.7
	Others (Time deposits over 3 months, etc)	-93.5	-48.8	-142.8
Cash flow from financing activities		-41.3	0.9	-46.0
	Increase in interest bearing debt	-31.3	1.6	-32.2
	Dividends paid	-9.8	-0.7	-13.4
	Others	-0.1	-0.0	-0.3
Effect of exchange rate changes on cash and cash equivalents		-0.8	0.3	-2.0
Net increase in cash and cash equivalents		-61.5	-15.4	-127.6
Cash and cash equivalents at beginning of term		193.4	65.8	193.4
Cash and cash equivalents at end of term		132.0	50.4	65.8
Cash and deposits at the end of term (certificate of deposits included)		231.4	242.9	210.1



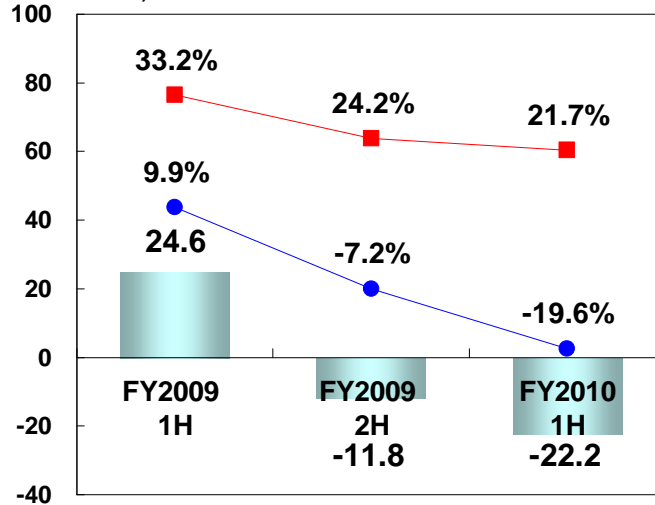
2Q FY2010 Financial Summary

Segment Information by Business Type

Industrial Electronic Equipment

(SPE, FPD/PVE, others)

(Billions of Yen)

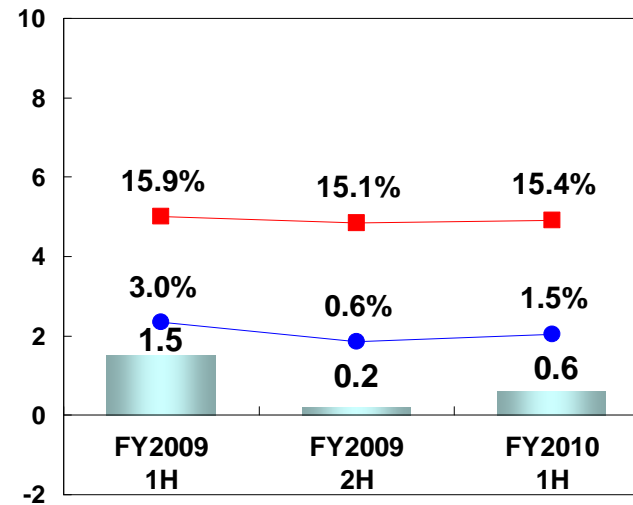


■ Operating income ● Operating margin
■ Gross margin

Electronic Components & Computer Networks

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

(Billions of Yen)



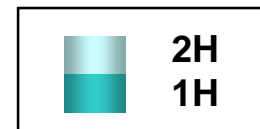
■ Operating income ● Operating margin
■ Gross margin

● Segment gross margin is provided for reference.



2Q FY2010 Financial Summary

Net Sales by Division



SPE Division

(Semiconductor Production Equipment)

FPD/PVE Division

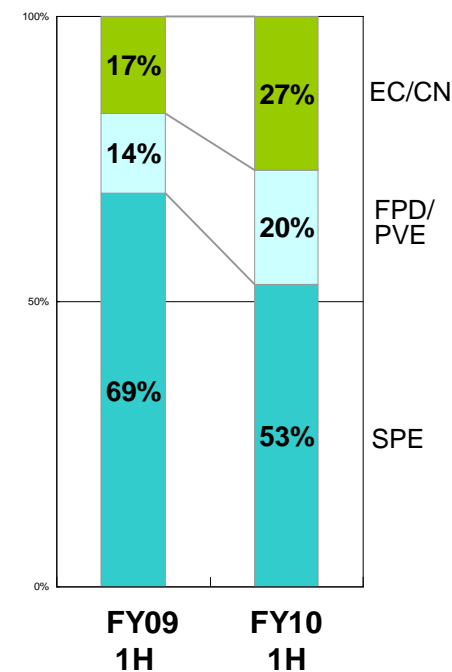
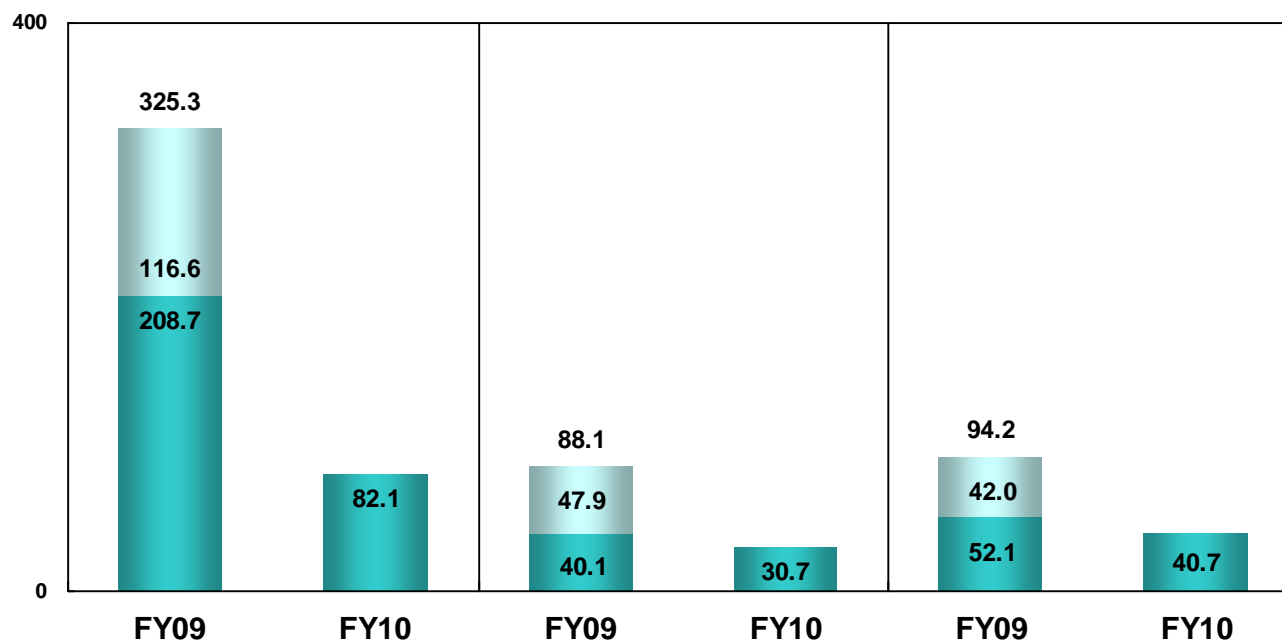
(FPD/PV Production Equipment)

EC/CN Division

(Electronic Components, Computer Networks)

Composition

(Billions of Yen)



1H FY10 vs 1H FY09

-60.6%

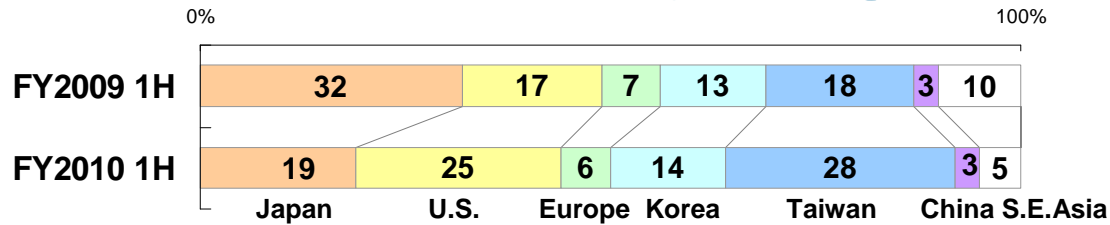
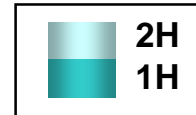
-23.5%

-21.7%

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

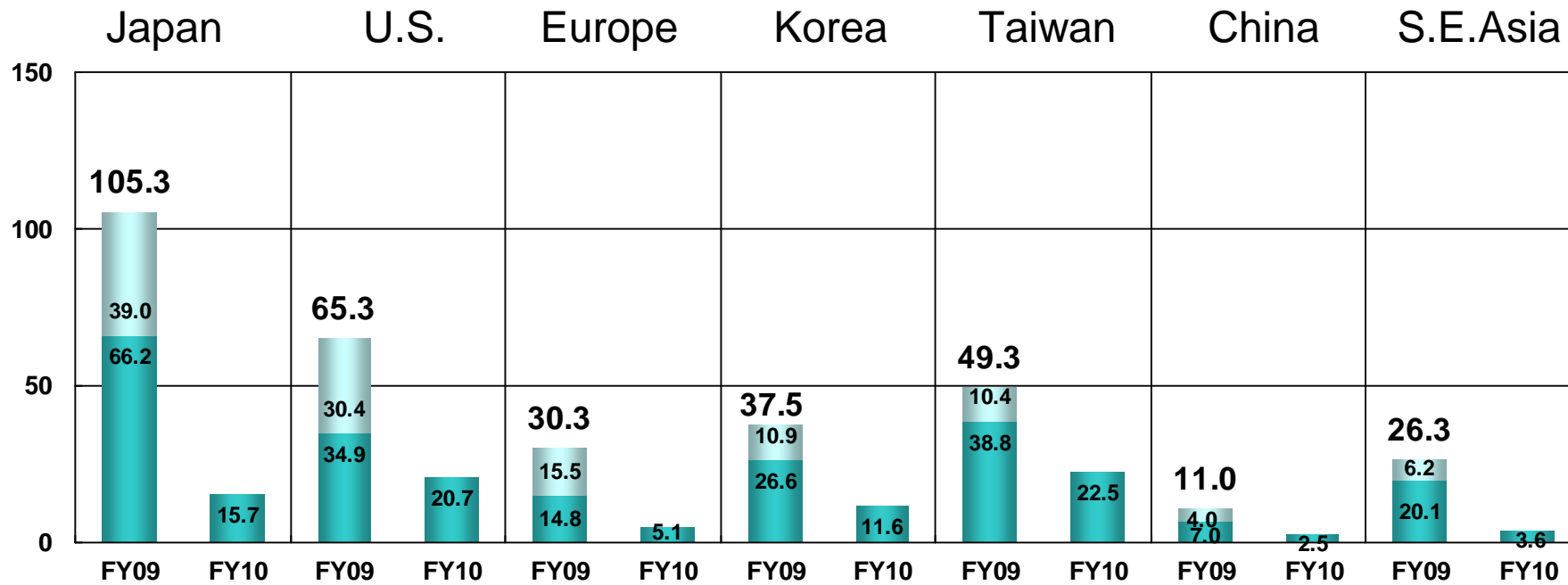
2Q FY2010 Financial Summary

SPE Sales by Region

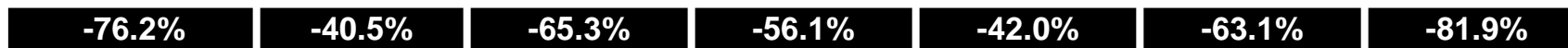


FY2009 1H 208.7 bil yen
 FY2010 1H 82.1 bil yen

(Billions of Yen)

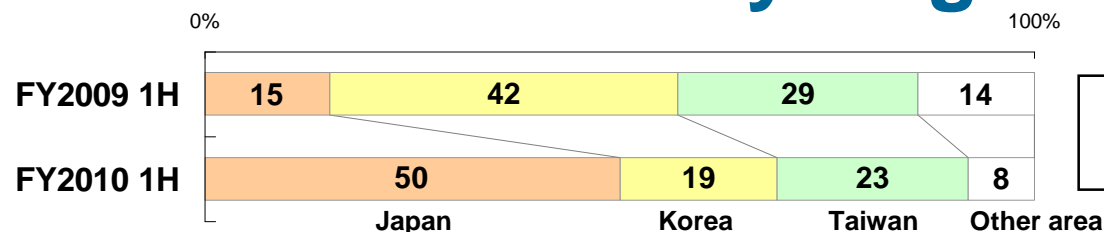
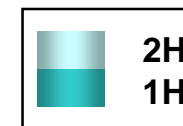


1H FY10 vs 1H FY09



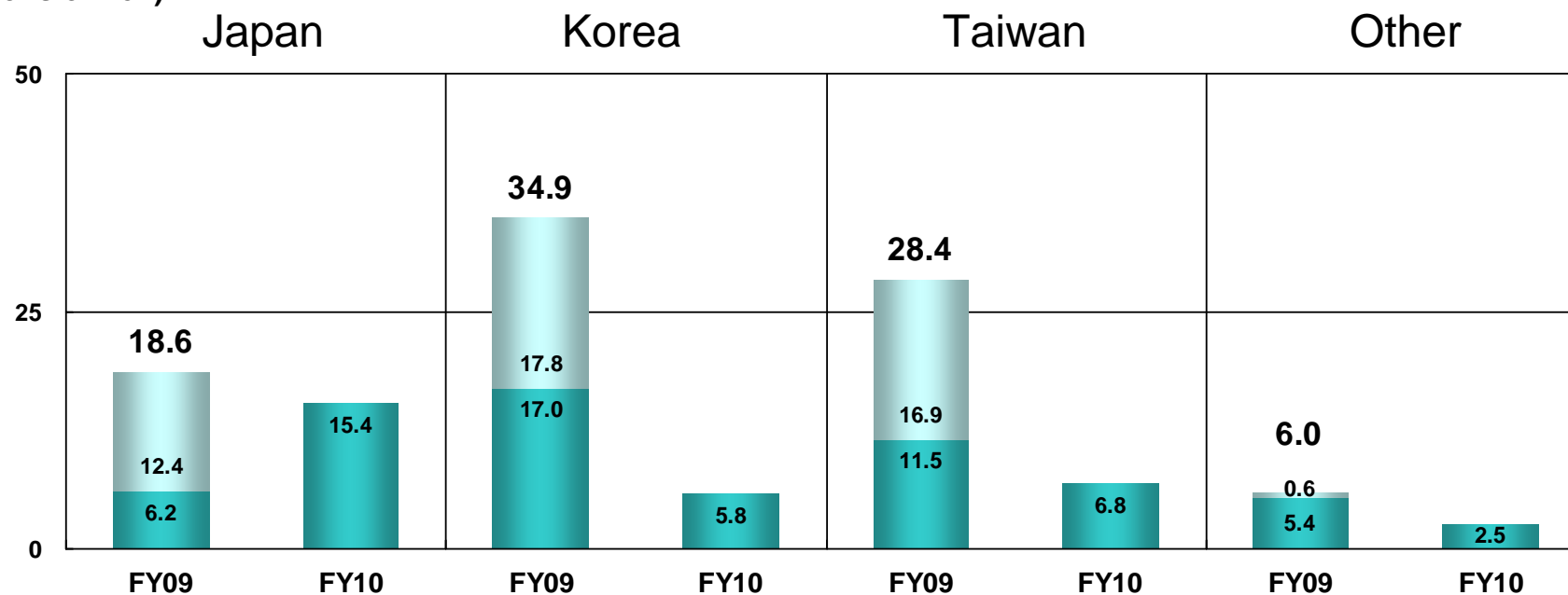
2Q FY2010 Financial Summary

FPD/PVE Sales by Region



FY2009 1H 40.1bil yen
FY2010 1H 30.7bil yen

(Billions of Yen)

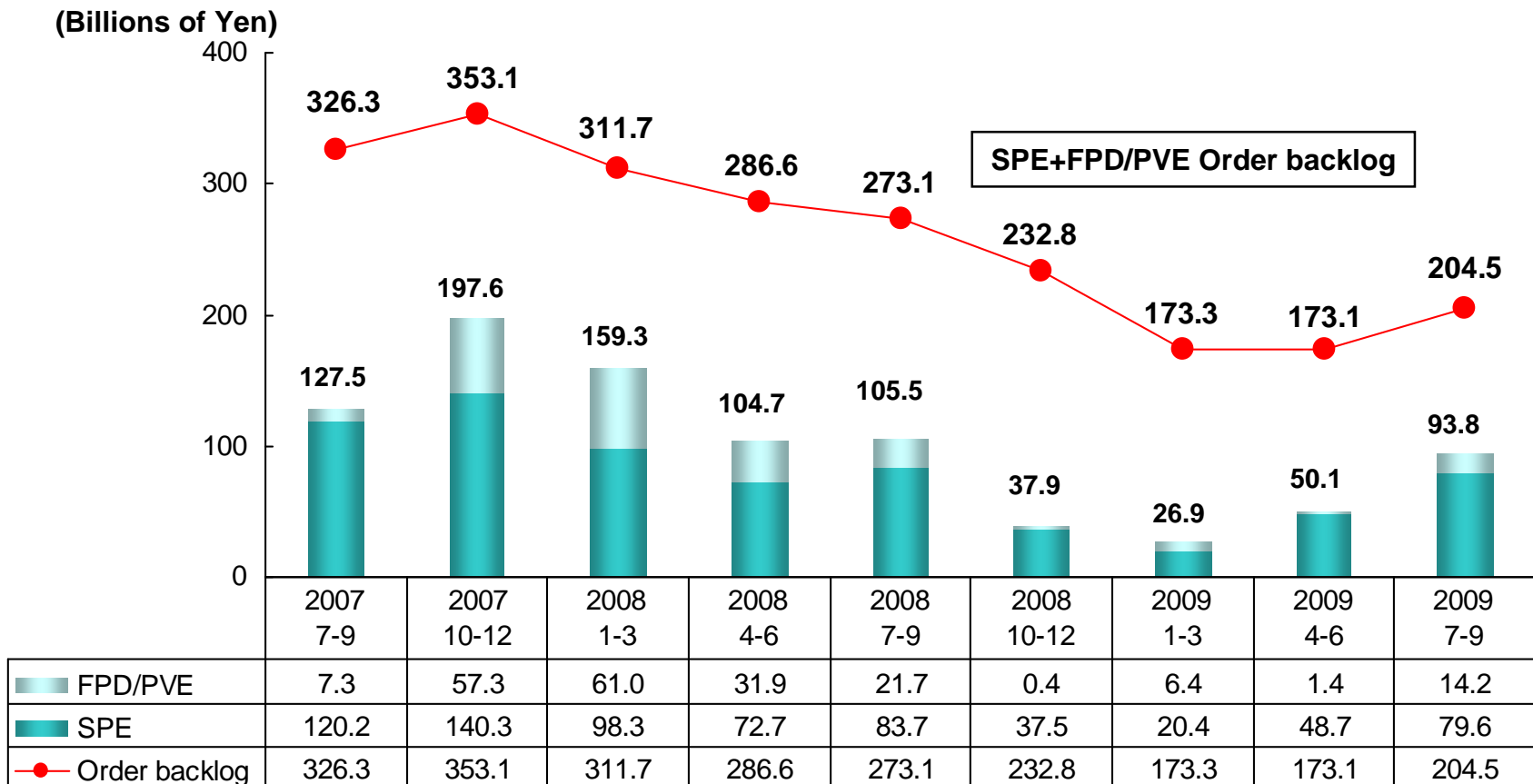


1H FY10 vs 1H FY09



2Q FY2010 Financial Summary

SPE+FPD/PVE Orders, Order Backlog



Order backlog breakdown

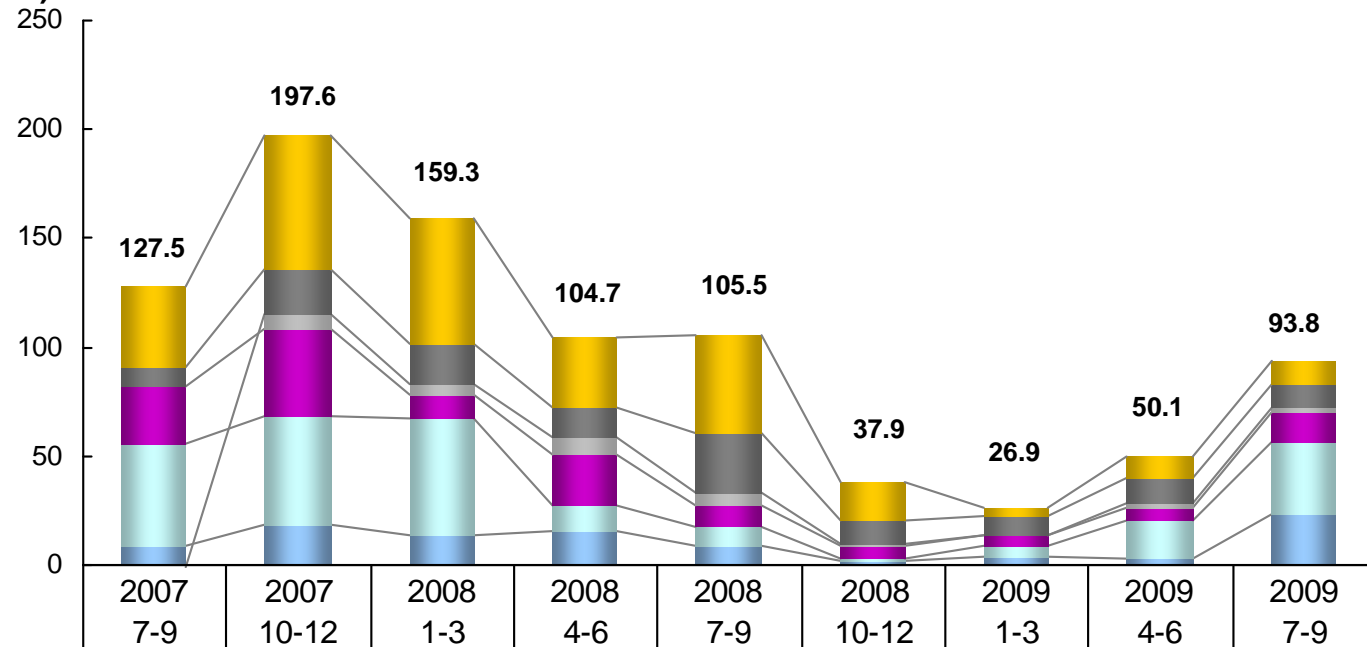
FPD/PVE	33.1	80.3	127.1	141.7	140.6	120.6	99.5	81.0	84.4
SPE	293.1	272.7	184.6	144.8	132.5	112.2	73.7	92.0	120.0



2Q FY2010 Financial Summary

SPE+FPD/PVE Orders by Region

(Billions of Yen)

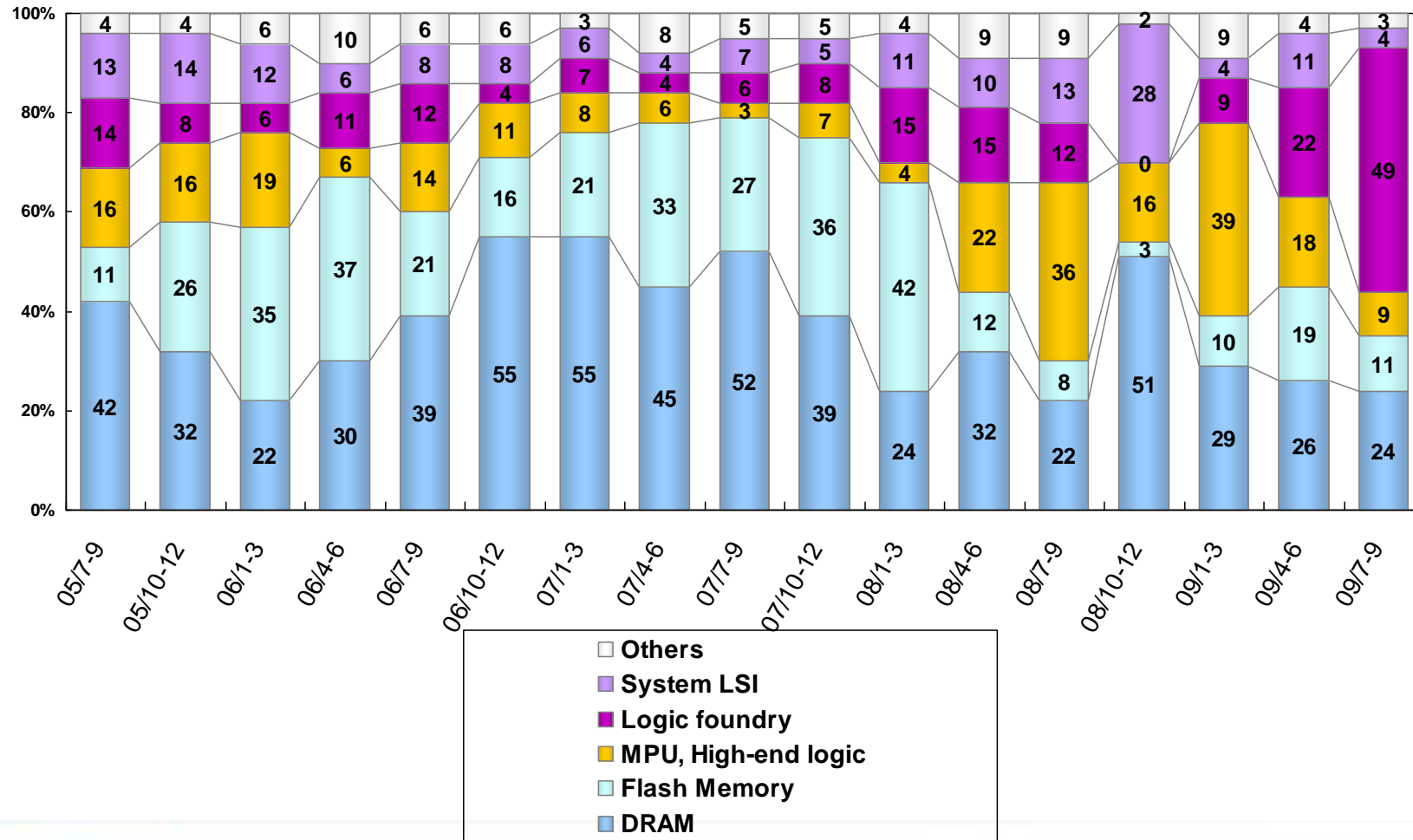


■ Japan	37.8	61.5	57.4	31.8	44.4	17.3	4.6	10.1	10.2
■ U.S.	8.1	20.4	18.4	14.3	28.1	10.4	8.2	11.8	11.0
■ Europe	-0.8	7.3	4.9	7.9	5.9	1.5	0.1	1.9	2.2
■ Korea	26.8	39.9	11.3	22.8	9.0	5.6	5.1	5.6	13.7
■ Taiwan	47.0	49.8	53.4	12.1	8.8	1.2	4.5	17.5	33.1
■ China, Southeast Asia & Others	8.6	18.5	13.6	15.6	9.1	1.7	4.1	3.0	23.4



2Q FY2010 Financial Summary

SPE Orders by Application (Equipment only)



(TEL Estimation included in memory portion)¹⁵



Quarterly Data



2Q FY2010 Financial Summary

Financial Summary

(Billions of Yen)

	FY2009			FY2010	
	2Q	3Q	4Q	1Q	2Q
Net Sales	146.3	101.0	105.7	68.9	84.9
Gross profit	38.9	27.1	19.2	11.1	19.6
SG&A expenses	34.1	29.1	28.8	25.5	26.9
Operating income	4.8	-2.0	-9.5	-14.3	-7.2
Ordinary income	6.6	-0.0	-8.2	-14.0	-5.1
EBIT	6.4	-8.4	-10.5	-18.4	-7.8
Net income	4.5	-7.6	-2.1	-11.0	-5.1

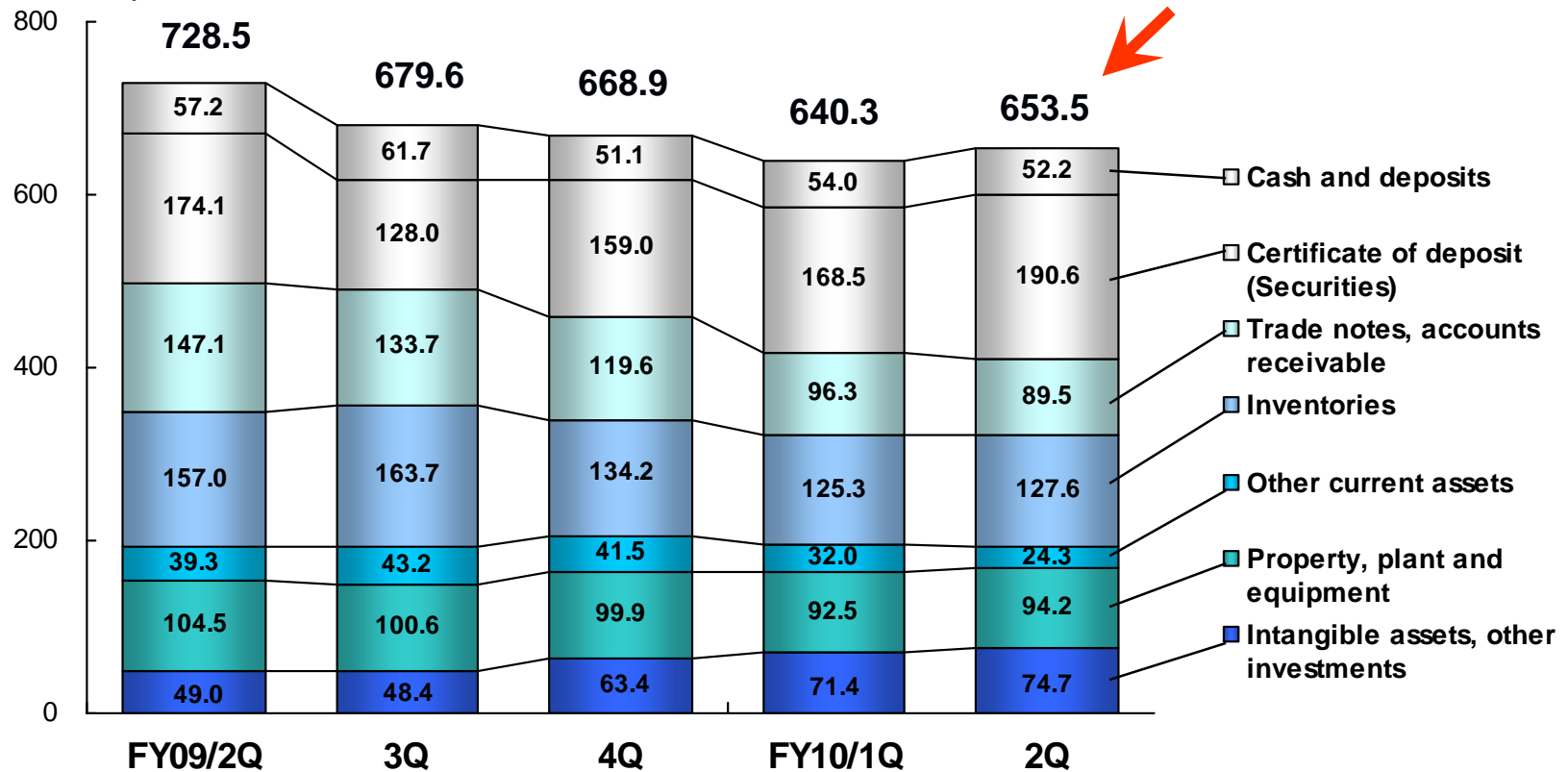
R&D expenses	17.0	14.3	15.0	12.1	13.0
CAPEX	4.8	2.7	4.8	1.1	7.0
Depreciation	5.6	5.9	6.3	4.9	4.9



2Q FY2010 Financial Summary

Assets

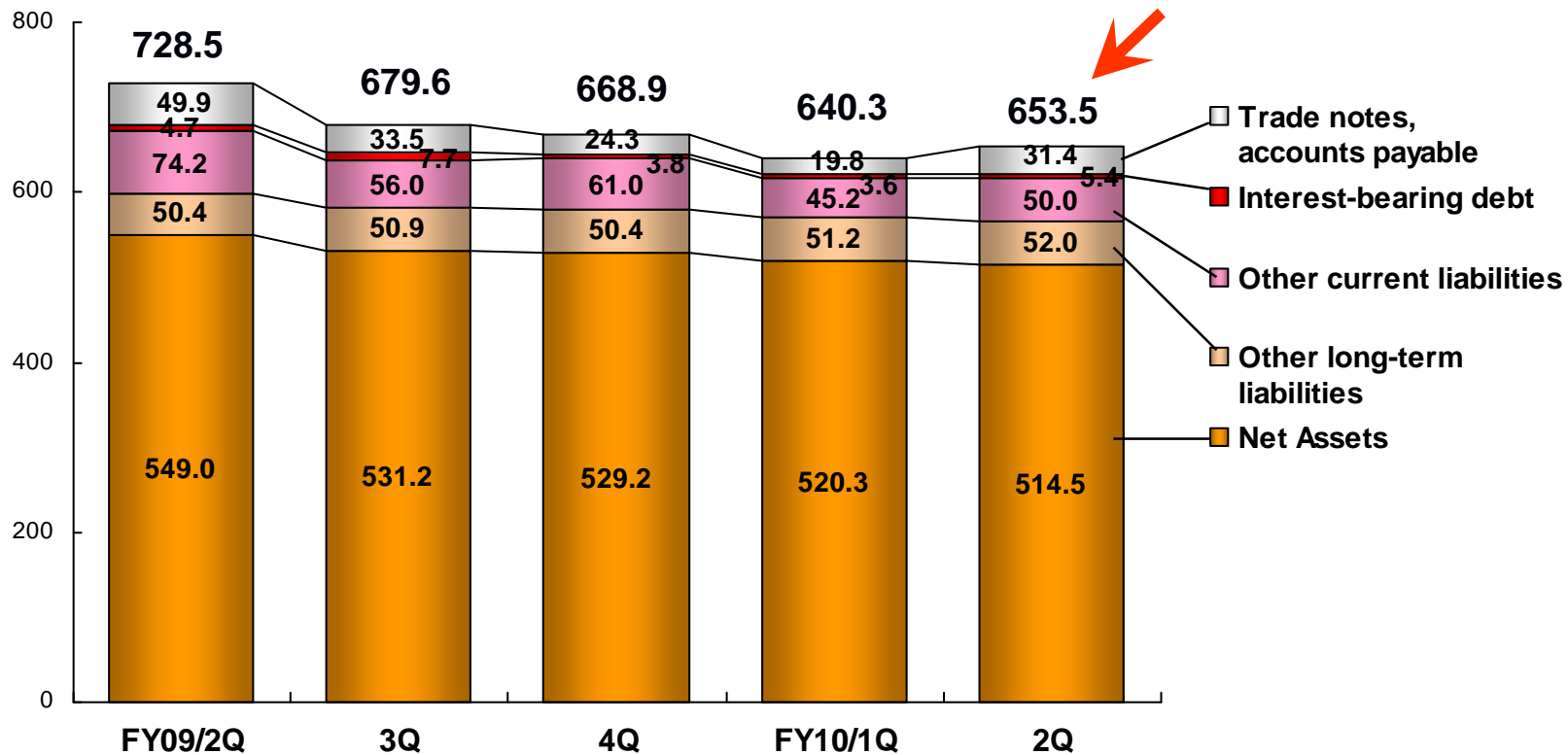
(Billions of Yen)



2Q FY2010 Financial Summary

Liabilities & Net Assets

(Billions of Yen)



Debt to Equity Ratio



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



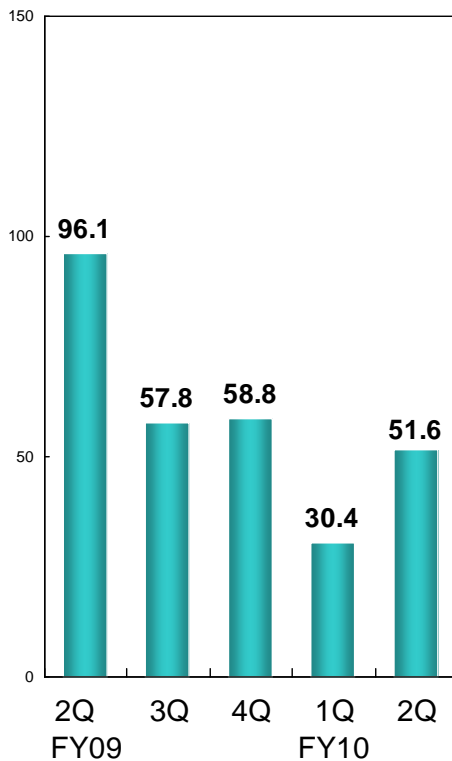
2Q FY2010 Financial Summary

Sales by Division

SPE Division

(Semiconductor Production Equipment)

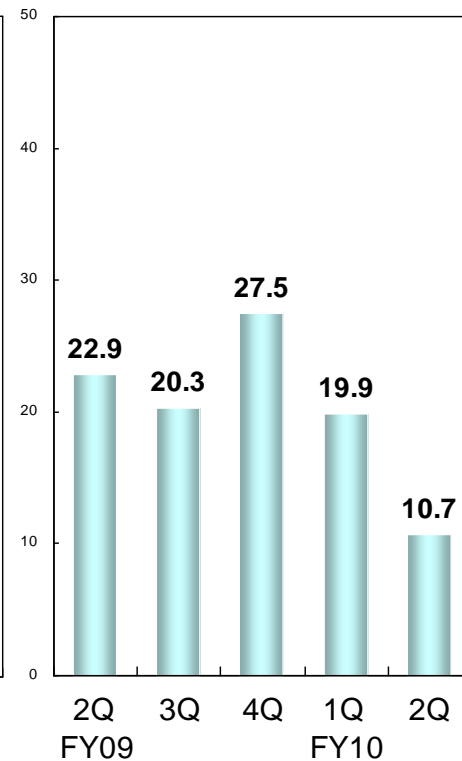
(Billions of Yen)



FPD/PVE Division

(FPD/PV Production Equipment)

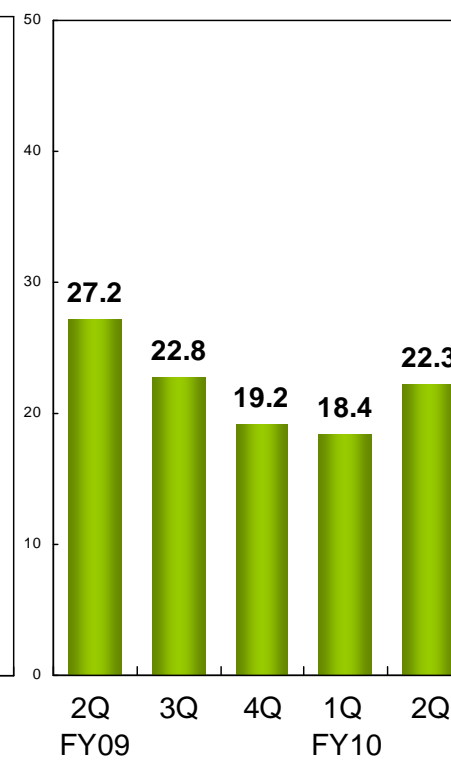
(Billions of Yen)



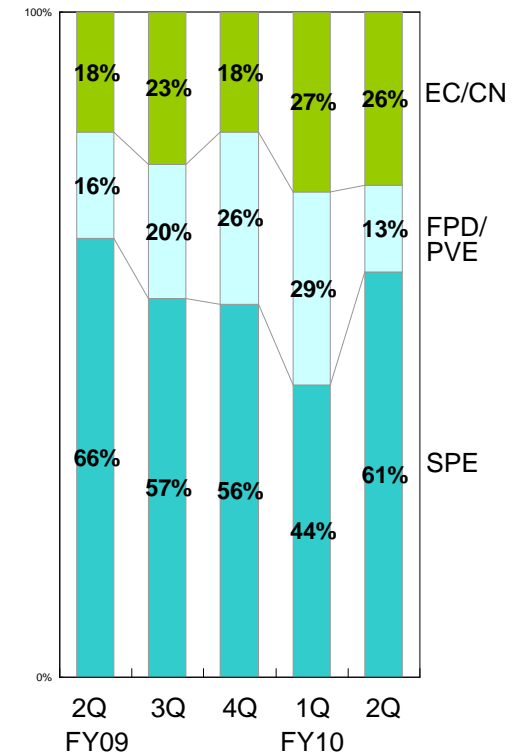
EC/CN Division

(Electronic Components, Computer Networks)

(Billions of Yen)



Composition



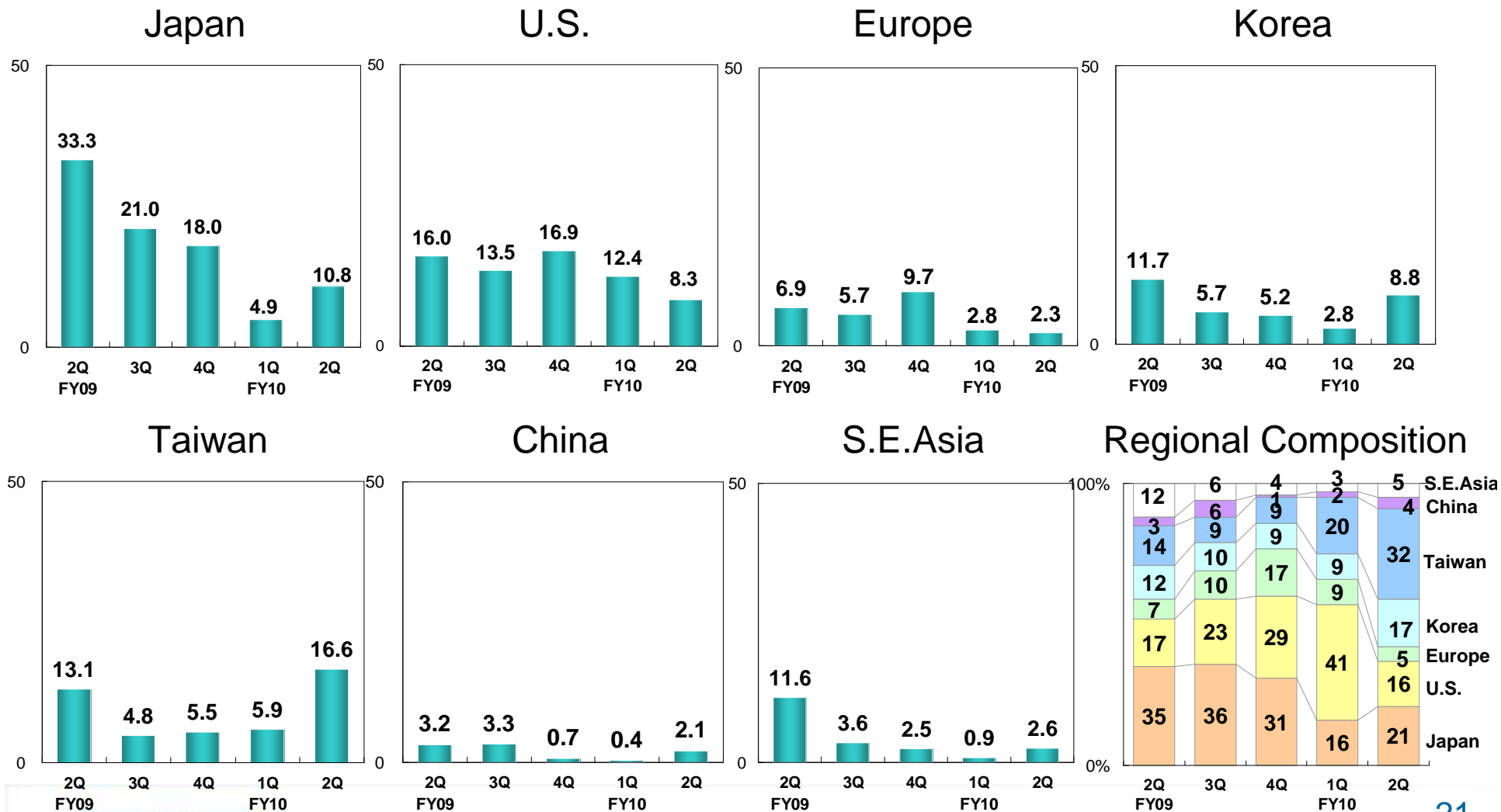
● In addition to the above 3 divisions, there is "Others" division. (FY10/2Q sales of 0.1 billion yen) 20



2Q FY2010 Financial Summary

SPE Sales by Region

(Billions of Yen)

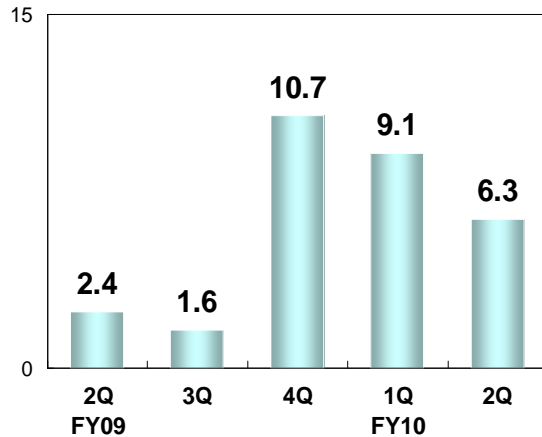


2Q FY2010 Financial Summary

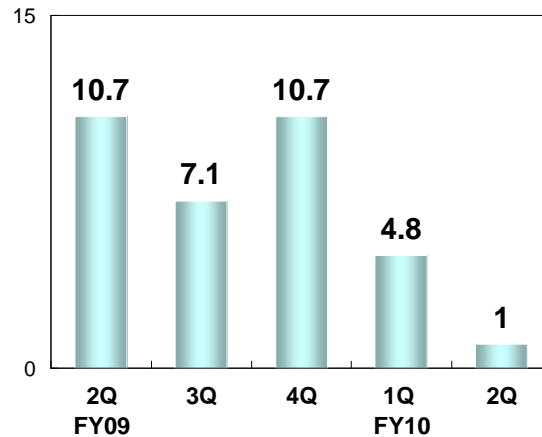
FPD/PVE Sales by Region

(Billions of Yen)

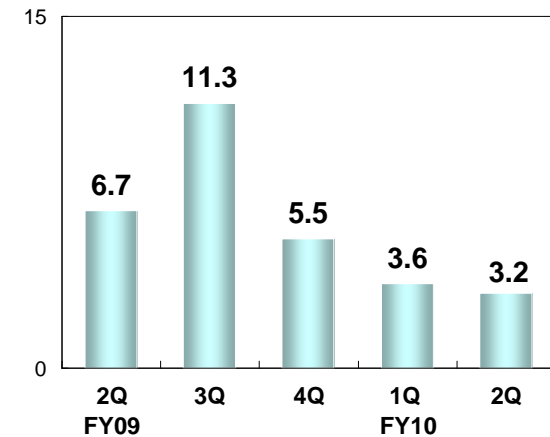
Japan



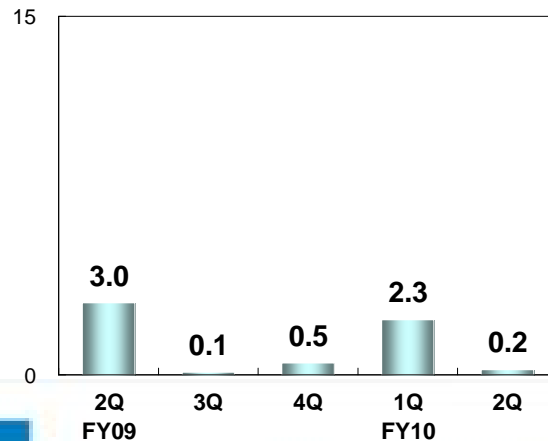
Korea



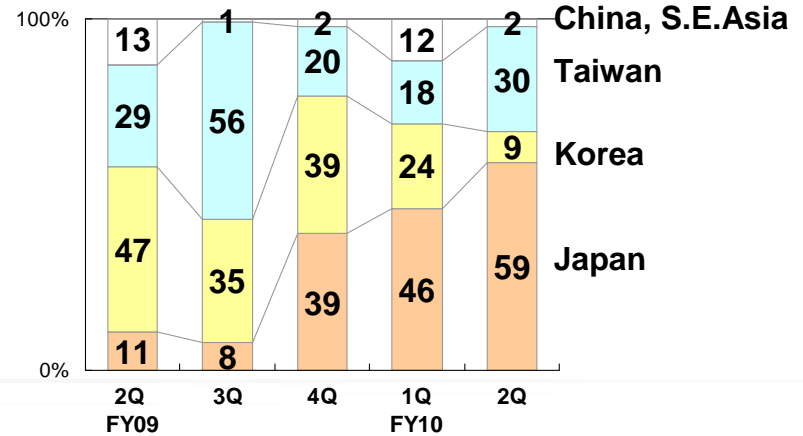
Taiwan



China, Southeast Asia & Other



Regional Composition



2Q FY2010 Financial Summary

Cash Flow

(Billions of Yen) 

		FY2009			FY2010	
		2Q	3Q	4Q	1Q	2Q
Cash flow from operating activities		49.9	-33.6	30.0	14.3	25.9
	Income before income taxes	6.4	-8.4	-10.5	-18.4	-7.8
	Depreciation and amortization	5.6	5.9	6.3	4.9	4.9
	Increase in AP, AR and inventories	37.6	-15.0	35.0	28.0	15.2
	Others	0.2	-16.0	-0.7	-0.1	13.5
Cash flow from investing activities		-103.2	-28.9	-27.7	-5.3	-51.7
	Payment for purchase of property, plant, equipment, etc	-4.2	-2.3	-3.8	-1.3	-7.0
	Others (Time deposits over 3 months, etc)	-99.0	-26.6	-23.8	-4.0	-44.7
Cash flow from financing activities		-31.2	-0.7	-3.9	-1.0	1.9
	Increase in interest bearing debt	-31.2	3.0	-3.9	-0.1	1.7
	Dividends paid	-	-3.5	-	-0.7	-
	Others	-0.0	-0.1	-0.0	-0.1	0.1
Effect of exchange rate changes on cash and cash equivalents		-0.9	-0.5	-0.6	0.6	-0.3
Net increase in cash and cash equivalents		-85.5	-63.8	-2.3	8.6	-24.1
Cash and cash equivalents at beginning of term		217.6	132.0	68.1	65.8	74.5
Cash and cash equivalents at end of term		132.0	68.1	65.8	74.5	50.4
Cash and deposits at the end of term (certificate of deposits included)		231.4	189.7	210.1	222.5	242.9

23



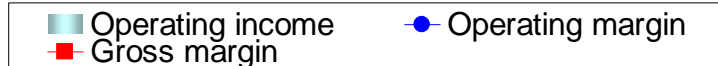
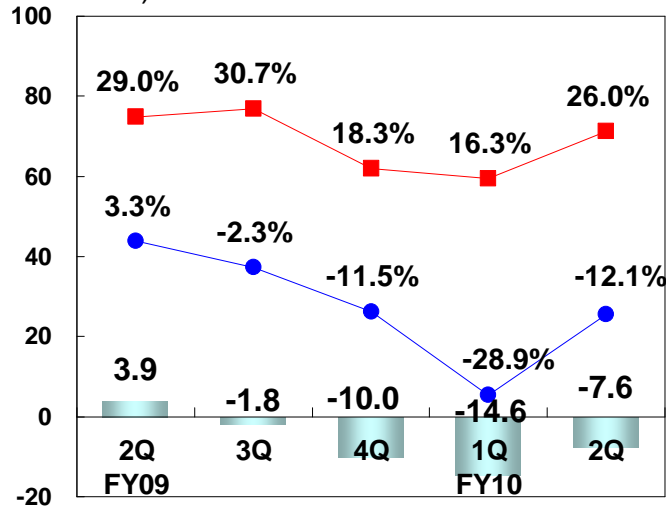
2Q FY2010 Financial Summary

Segment Information by Business Type

Industrial Electronic Equipment

(SPE,FPD/PVE, other)

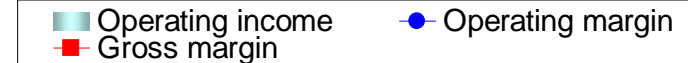
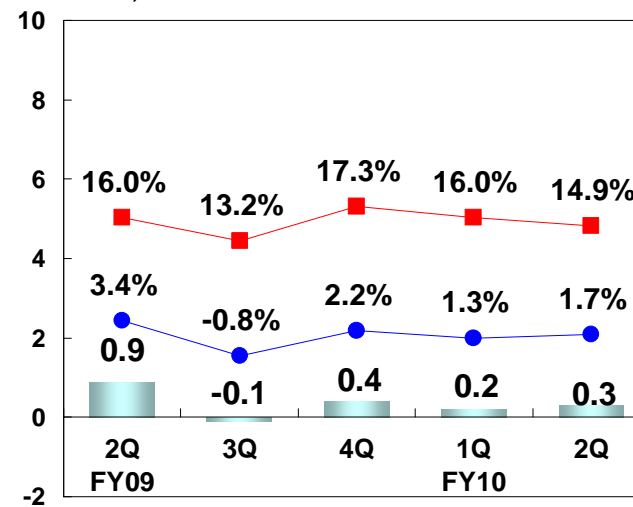
(Billions of Yen)



Electronic Components & Computer Networks

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

(Billions of Yen)



● Segment gross margin is provided for reference.

