

# **TOKYO ELECTRON**

## **3Q FY2011 Financial Announcement**

**January 31, 2011**



**TOKYO ELECTRON**

# 3Q FY2011

## Consolidated Financial Summary

3Q FY2011: October 1, 2010 - December 31, 2010  
FY2011: April 1, 2010 - March 31, 2011



**TOKYO ELECTRON**

## Results Highlights

**Due to rapid recovery of semiconductor demand,  
our core SPE business has been in good form**

	9 months Results (1Q-3Q)
Net sales	<b>¥478.0 billion</b> (Up 78%)
Operating income	<b>¥68.1 billion</b> (Up ¥84.2 billion) <b>Operating margin 14.3%</b>
Net income	<b>¥52.1 billion</b> (Up ¥68.3 billion)
Cash flow	<b>Operating cash flow ¥19.7 billion</b> (Down ¥15.1 billion) <b>Cash and cash equivalents ¥233.2 billion</b> (Down ¥3.0 billion)

(Compared to the same period of the previous year )



## 3Q FY2011 Financial Summary

# Profit and Loss Results

(Billions of Yen)

	3Q			1Q-3Q		
	FY10	FY11	YoY Change	FY10	FY11	YoY Change
Net sales	114.2	159.6	+39.7%	268.1	478.0	+78.3%
SPE	76.5	115.3	+50.8%	158.6	355.6	+124.1%
FPD/PVE	16.6	21.9	+31.8%	47.4	54.8	+15.7%
EC/CN	21.0	22.2	+5.7%	61.8	67.2	+8.8%
Others	0.0	0.0	+17.2%	0.2	0.3	+12.4%
Operating income	5.5 (4.8%)	25.8 (16.2%)	+20.2B	-16.0 (-6.0%)	68.1 (14.3%)	+84.2B
Income before income taxes	3.7	26.6	+22.9B	-22.5	71.6	+94.2B
Net income	-0.0	18.6	+18.7B	-16.2	52.1	+68.3B
EPS	-0.33	104.26	-	-90.62	291.13	-

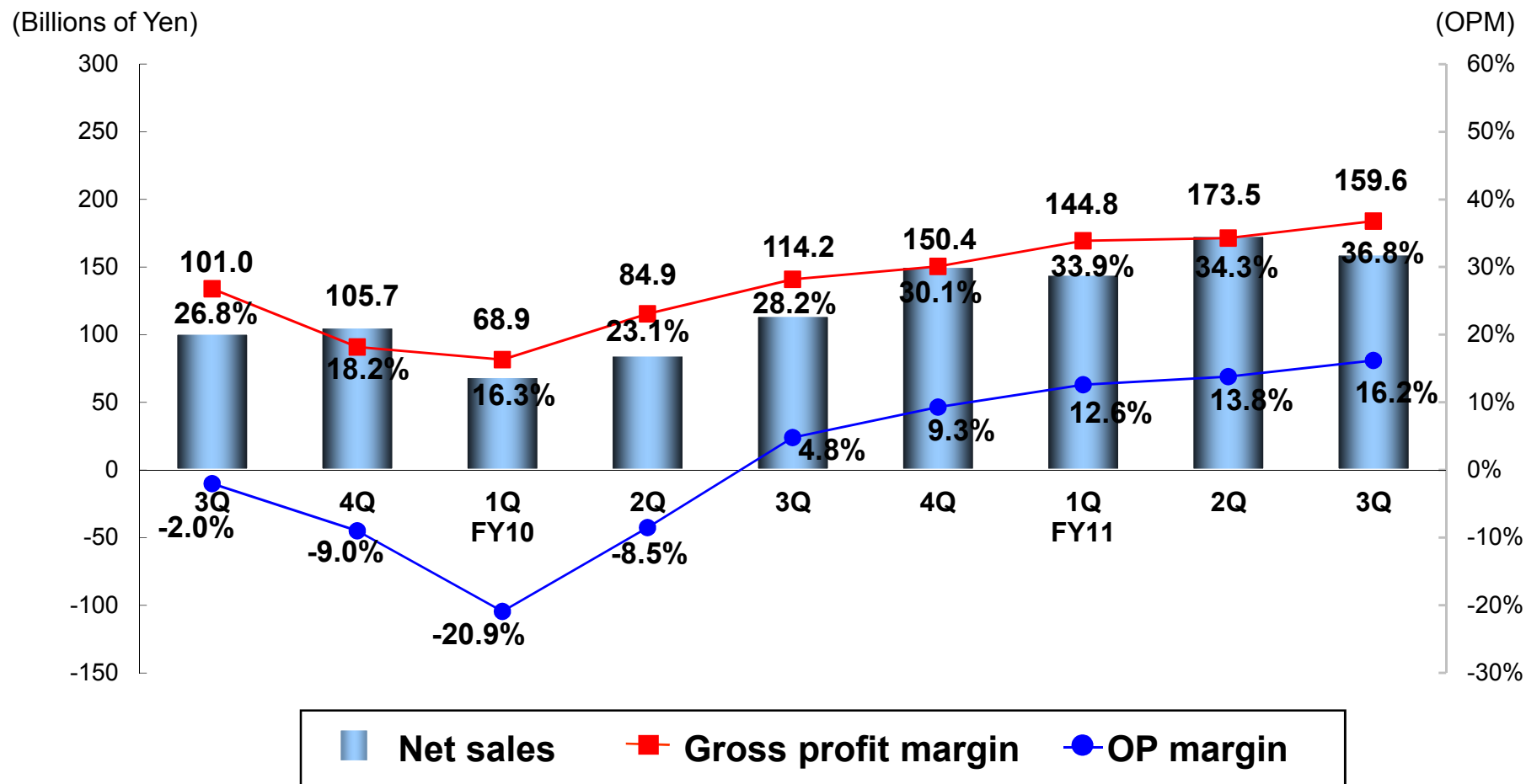
(Yen)

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.



## 3Q FY2011 Financial Summary (For 3 months)

# Net Sales & Profit Ratio



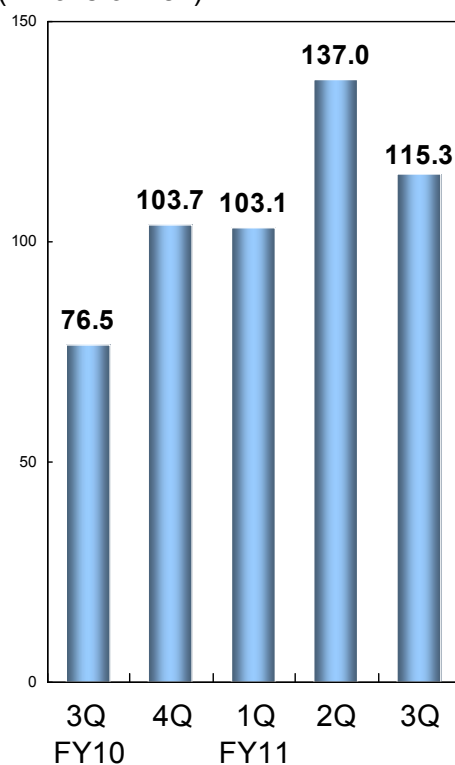
## 3Q FY2011 Financial Summary (For 3 months)

# Sales by Division

### SPE Division

(Semiconductor Production Equipment)

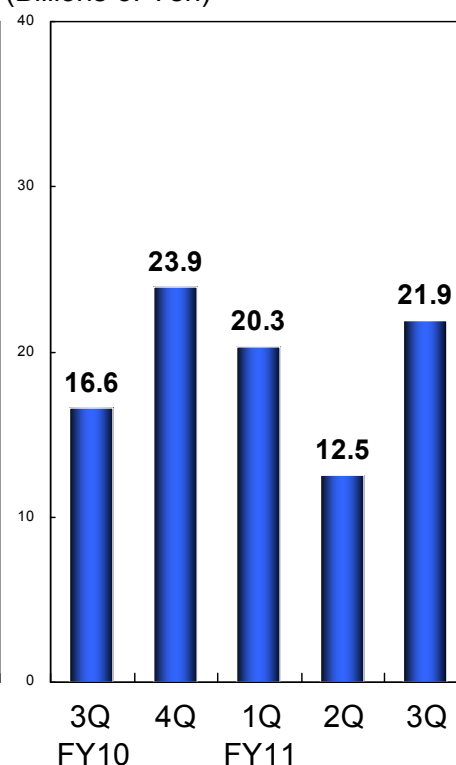
(Billions of Yen)



### FPD/PVE Division

(FPD/PV Cell Production Equipment)

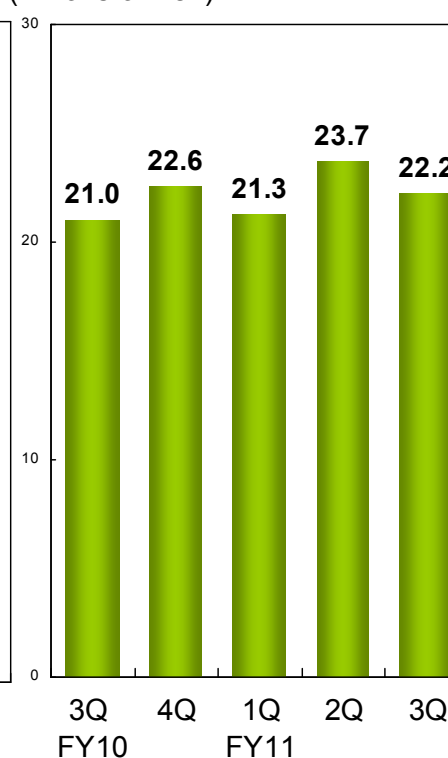
(Billions of Yen)



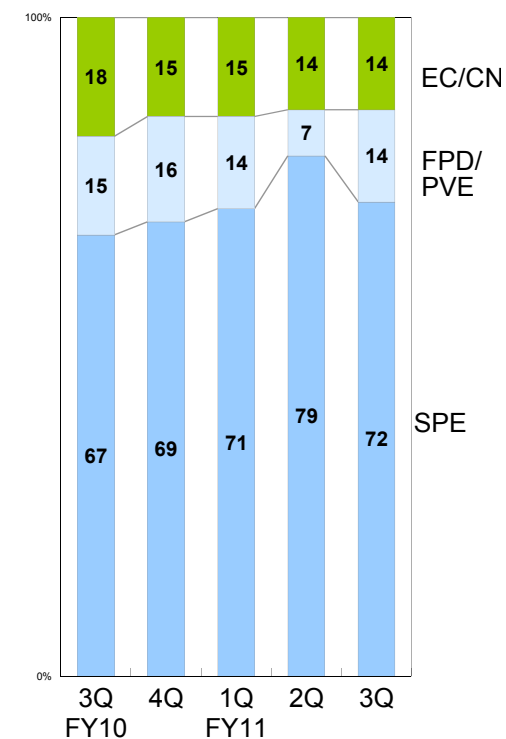
### EC/CN Division

(Electronic Components, Computer Networks)

(Billions of Yen)



### Composition



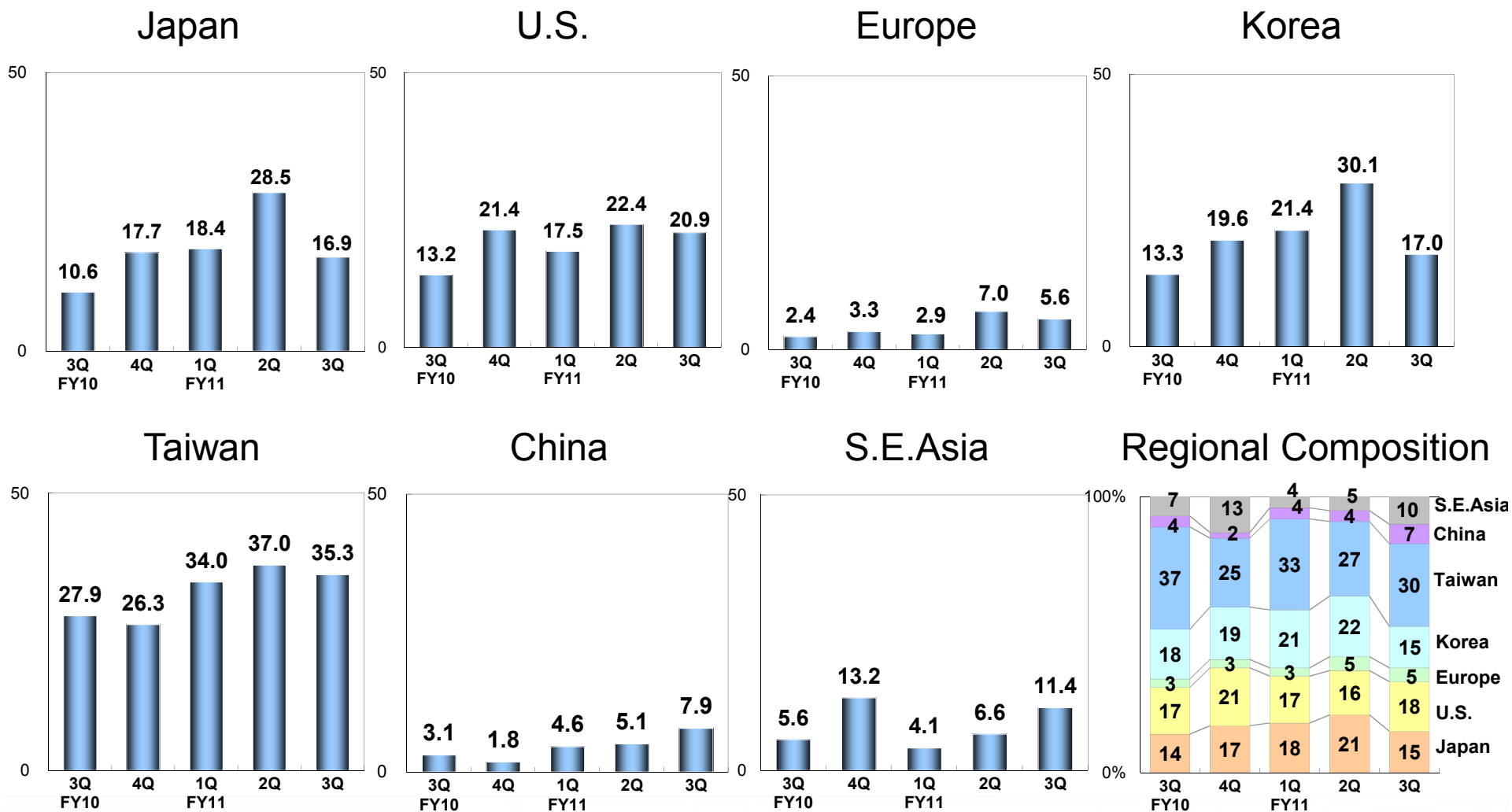
● In addition to the above 3 divisions, there is "Others" division. (FY11/3Q sales of 70 million yen)



## 3Q FY2011 Financial Summary (For 3 months)

# SPE Sales by Region

(Billions of Yen)

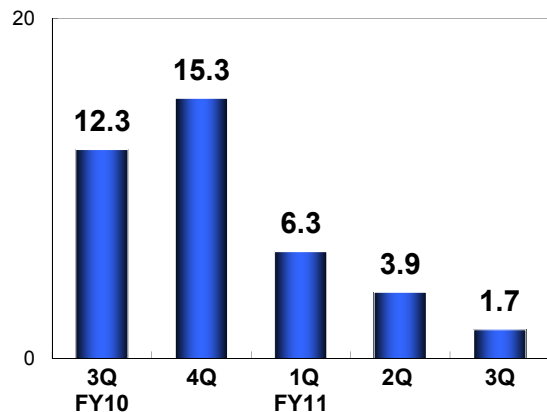


## 3Q FY2011 Financial Summary (For 3 months)

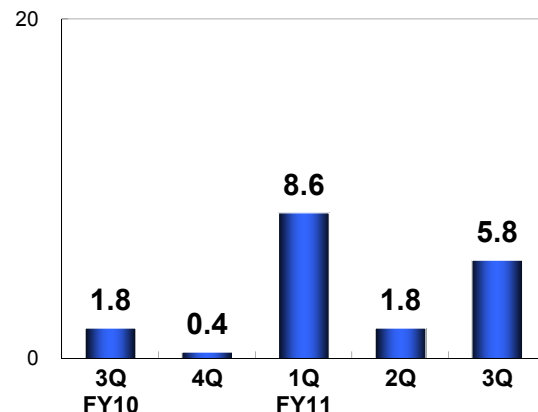
# FPD/PVE Sales by Region

(Billions of Yen)

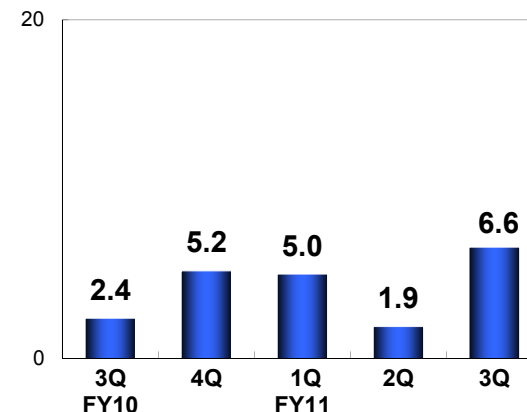
### Japan



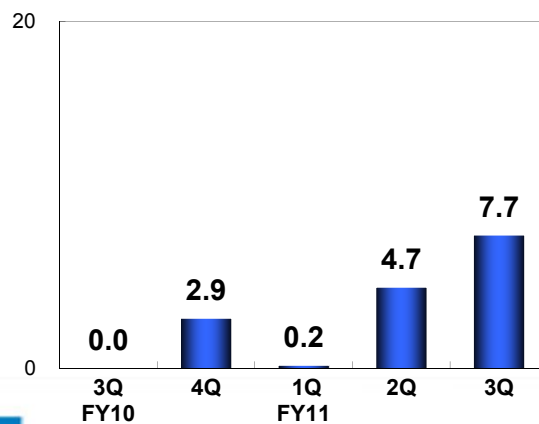
### Korea



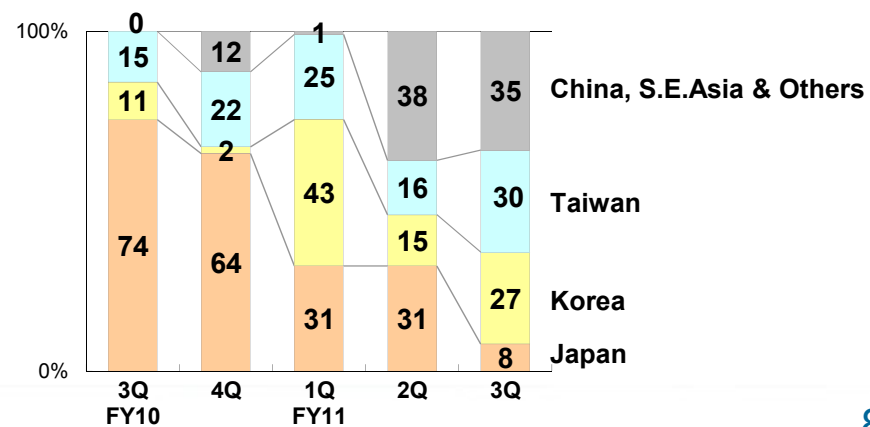
### Taiwan



### China, Southeast Asia & Others



### Regional Composition



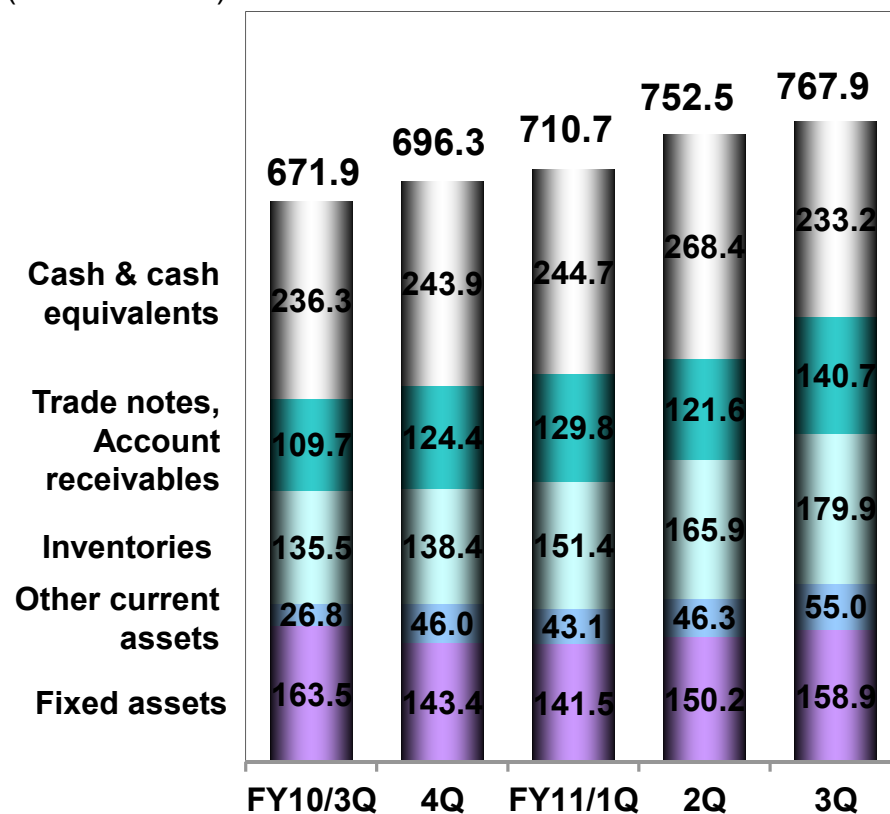


# 3Q FY2011 Financial Summary (For 3 months)

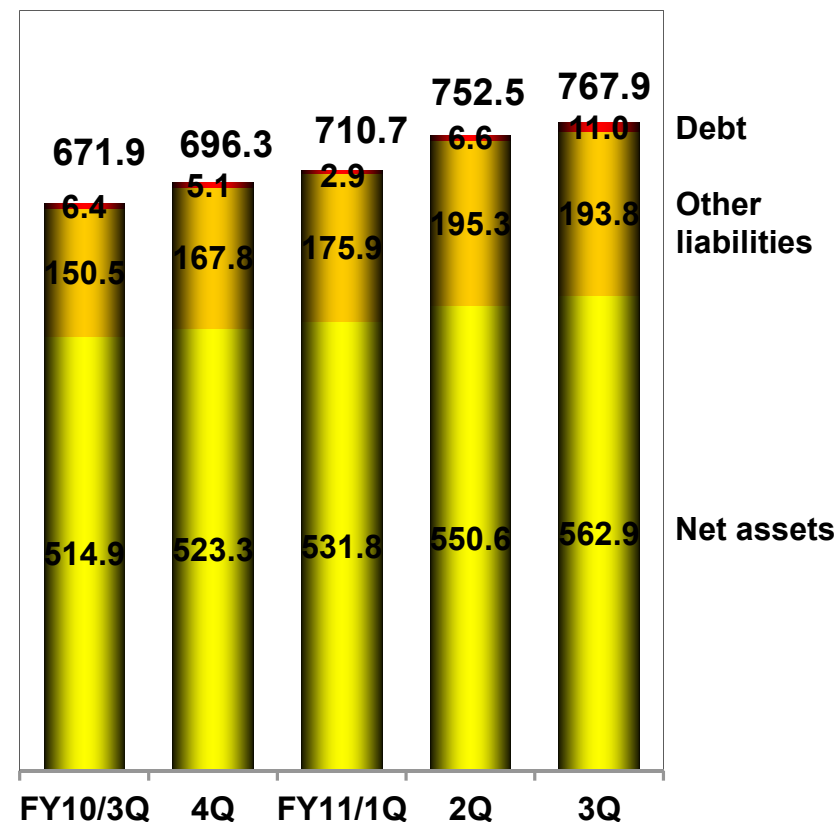
## Balance Sheet (Summary)

(Billions of Yen)

### Assets



### Liabilities & Net Assets



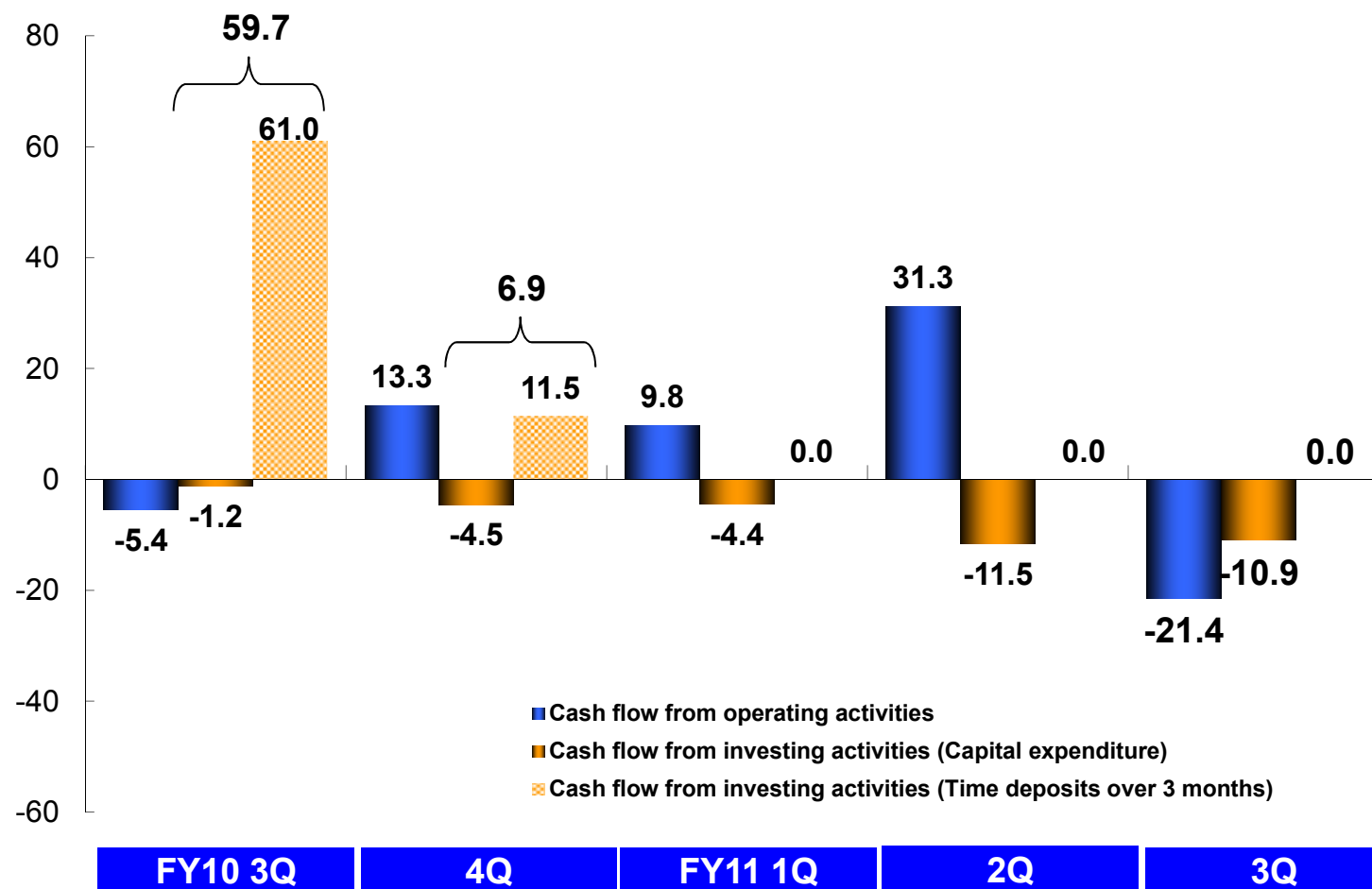
Cash and cash equivalents: Cash and deposits + Certificate of deposit (Securities in B/S).



## 3Q FY2011 Financial Summary (For 3 months)

# Cash Flow

(Billions of Yen)



## 3Q FY2011 Financial Summary (For 9 months)

# Segment Information

(Billions of Yen)

	Reportable Segment			Others	Eliminations	Consolidated Total
	SPE	FPD/PVE	EC/CN			
<b>Net Sales</b>	<b>355.6</b>	<b>54.8</b>	<b>68.0</b>	<b>11.5</b>	<b>-11.9</b>	<b>478.0</b>
<b>Segment Income (Income before income taxes)</b>	<b>84.7</b>	<b>5.7</b>	<b>2.0</b>	<b>1.5</b>	<b>-22.3</b>	<b>71.6</b>
<b>Segment Profit Margin</b>	<b>23.8%</b>	<b>10.5%</b>	<b>3.0%</b>	<b>13.4%</b>	<b>-</b>	<b>15.0%</b>

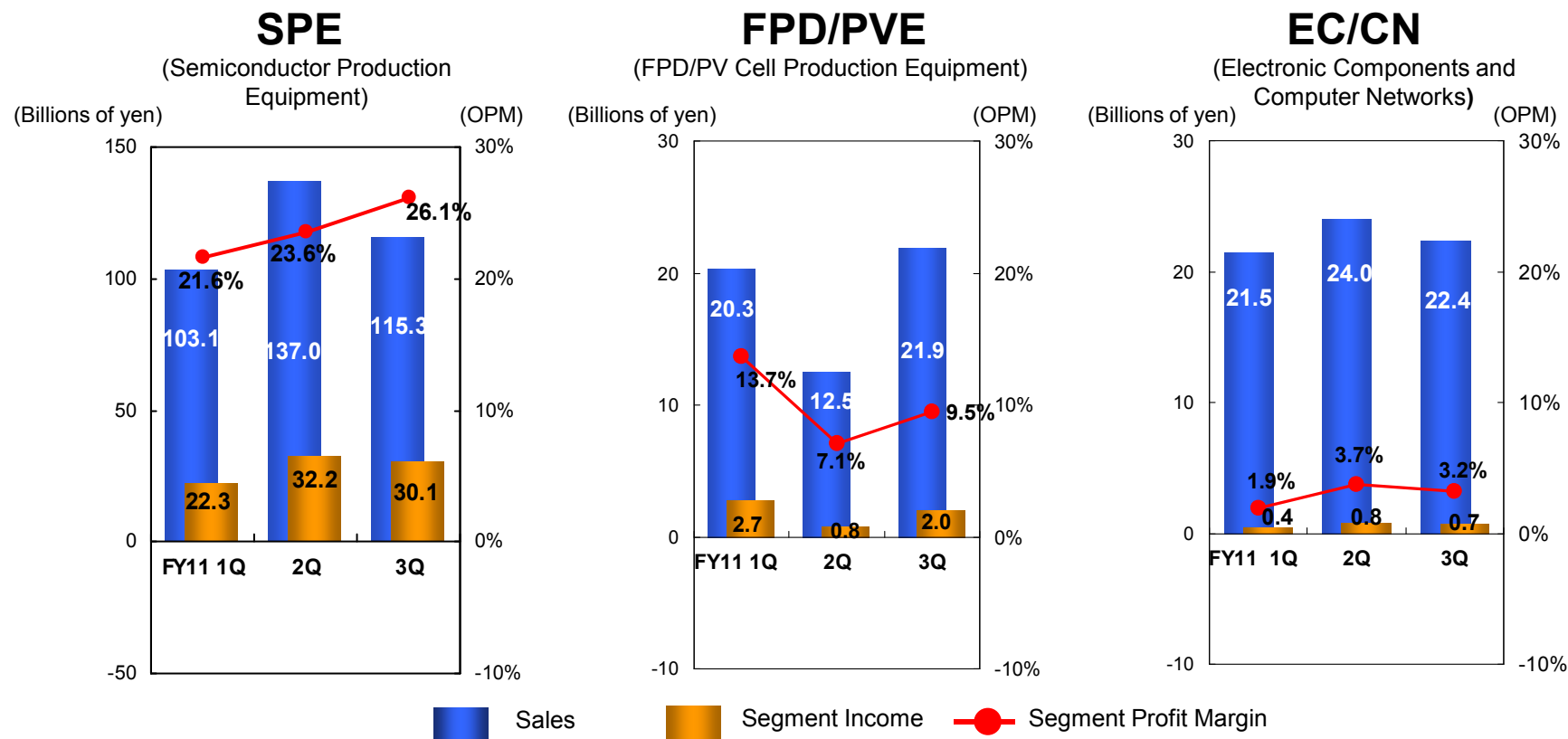
The reportable segments by the company provide separate financial information pertaining to the various segments of the company, which is reviewed periodically by the management to evaluate corporate performance as well as make decisions about the allocation of management resources.

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 -22.3billion 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 -16.5 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.



# 3Q FY2011 Financial Summary (For 3 months)

## Segment Information



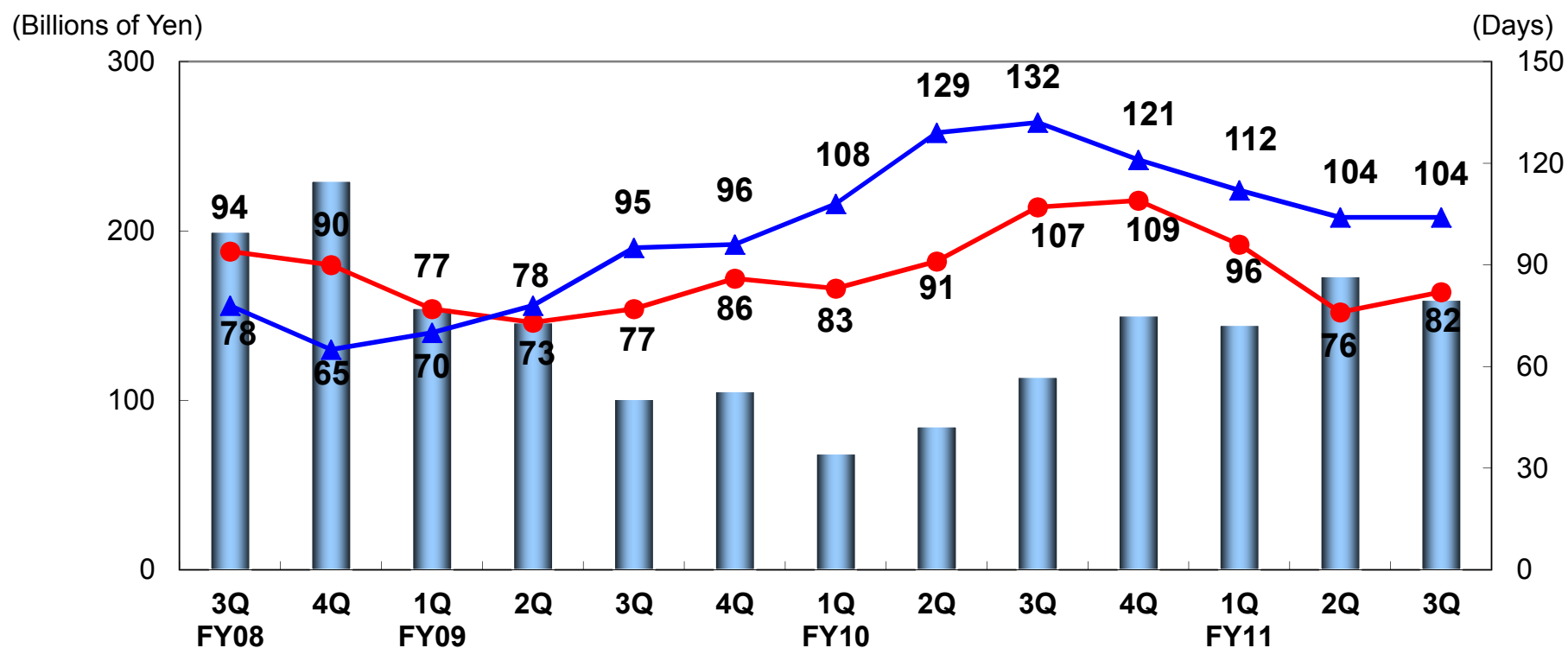
The reportable segments by the company provide separate financial information pertaining to the various segments of the company, which is reviewed periodically by the management to evaluate corporate performance as well as make decisions about the allocation of management resources.

1. Segment income is adjusted against quarterly net income before taxes in the quarterly consolidated income statement.
2. Profit ratios are calculated using full amounts, before rounding.



## 3Q FY2011 Financial Summary (For 3 months)

# Inventory and AR Turnover

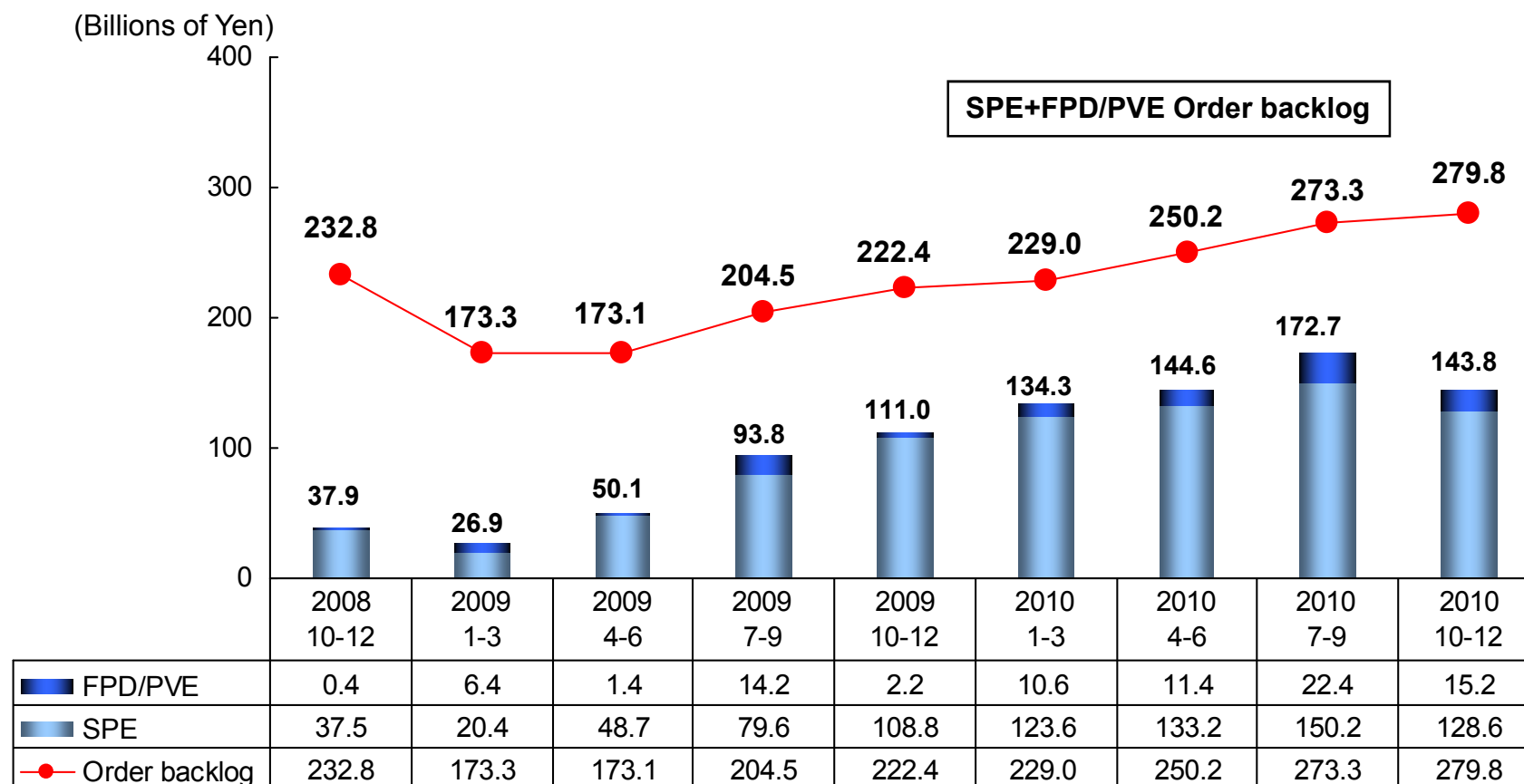


● Turnover days = Inventory or AR at the end of each quarter / last 12-month sales x 365



## 3Q FY2011 Financial Summary (For 3 months)

# Orders, Order Backlog: SPE+FPD/PVE



### Order backlog breakdown

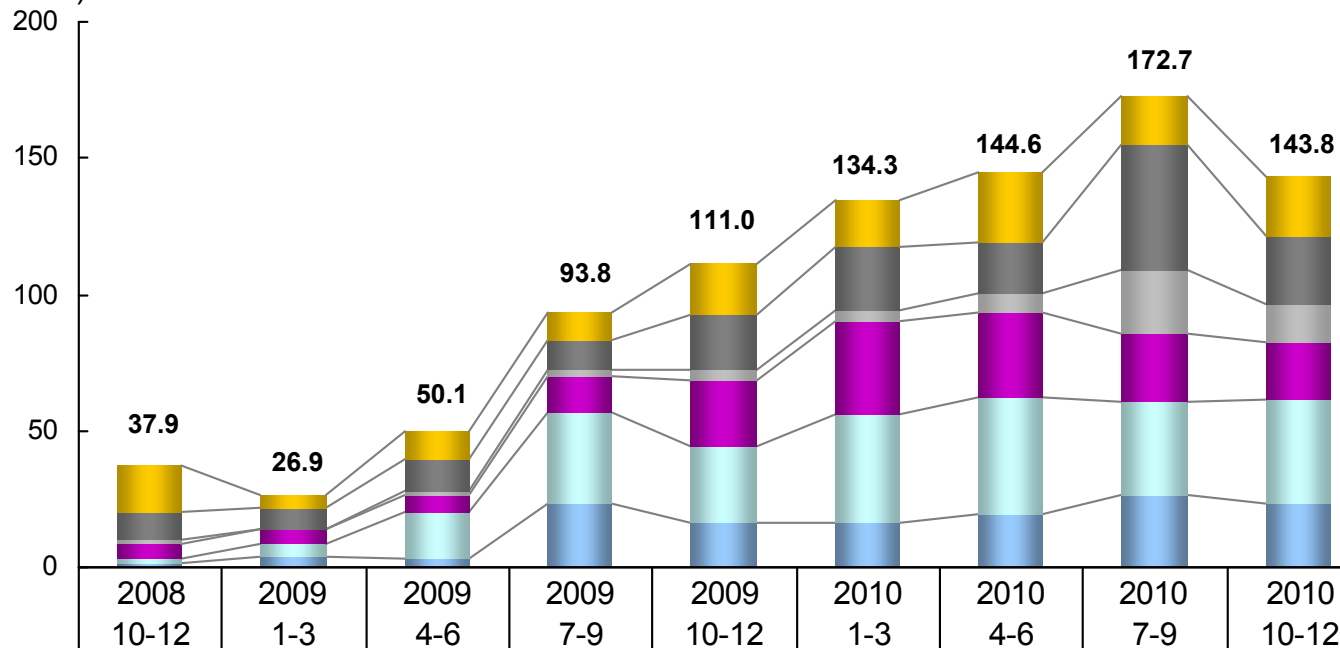
FPD/PVE	120.6	99.5	81.0	84.4	70.0	56.7	47.9	57.8	51.0
SPE	112.2	73.7	92.0	120.0	152.3	172.3	202.3	215.5	228.8



## 3Q FY2011 Financial Summary (For 3 months)

# Orders by Region: SPE+FPD/PVE

(Billions of Yen)



■ Japan	17.3	4.6	10.1	10.2	18.1	16.8	25.6	17.3	22.2
■ U.S.	10.4	8.2	11.8	11.0	20.2	23.3	18.6	46.6	24.5
■ Europe	1.5	0.1	1.9	2.2	4.5	3.8	6.9	22.8	14.1
■ Korea	5.6	5.1	5.6	13.7	23.4	34.3	31.1	24.9	21.0
■ Taiwan	1.2	4.5	17.5	33.1	28.4	40.0	42.5	34.6	38.2
■ China, Southeast Asia & Others	1.7	4.1	3.0	23.4	16.3	16.1	19.7	26.3	23.5



- **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





