

Tokyo Electron Device Limited
Consolidated Statement of Income
For the six months ended September 30,2005

	Millions of		Thousands of	
	Yen		U.S.dollars	
	2005		2005	
Net Sales	¥	42,622	\$	376,453
Cost of sales		<u>37,043</u>		<u>327,177</u>
Gross profit		5,579		49,276
Selling,general and administrative expenses		<u>4,141</u>		<u>36,575</u>
Operating income		1,438		12,701
Other income(expenses)				
Interest expenses		(45)		(397)
Asset finance costs		(48)		(424)
Foreign currency gain or loss		(144)		(1,272)
Prior-period adjustment of allowance for doubtful accounts		2		18
Other,net		<u>16</u>		<u>141</u>
Income before income taxes		1,219		10,767
Provision for income taxes				
Current		502		4,434
Net income		<u><u>717</u></u>		<u><u>6,333</u></u>
Per share of common stock:				
		Yen		U.S.dollars
Net income - actual	¥	7,790	\$	69
Cash dividends paid - actual	¥	<u>3,000</u>	\$	<u>23</u>

Notes:1 U.S.dollar amounts are translated from yen,for convenience only,at the rate of ¥113.22 to U.S.\$1.00.

2 This is the first year to disclose consolidated financial statements,so it is not compared with the same term last year.

Tokyo Electron Device Limited
Consolidated Balance Sheet
As of September 30,2005

Assets	Millions of	Thousands of
	Yen	U.S. dollars
	2005	2005
Current assets:		
Cash and time deposits	¥ 1,110	\$ 9,804
Accounts receivable - Trade	22,699	200,486
Accounts receivable - Other	22	194
Allowance for doubtful accounts	(11)	(97)
Inventories	12,458	110,034
Consumption Tax Receivable	259	2,288
Deferred tax assets	286	2,526
Prepaid expenses and other current assets	139	1,227
Total current assets	36,962	326,462
Intangible and other assets:		
Software	195	1,722
Long-term deposit	198	1,749
Intangible and other assets	94	831
Deferred tax assets	1,119	9,883
Total investments and other assets	1,606	14,185
Property,plant and equipment:		
Buildings	732	6,465
Machinery and equipment	631	5,574
Total property,plant and equipment	1,363	12,039
Less:accumulated depreciation	619	5,468
Net property,plant and equipment	744	6,571
Total assets	39,312	347,218

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Liabilities and Shareholders' Equity	Millions of	Thousands of
	Yen	U.S. dollars
	2005	2005
Current liabilities:		
Short-term bank loans	¥ 85	\$ 751
Current portion of long term-loan	5,000	44,162
Accounts payable - Trade	11,773	103,983
Accounts payable - Others	766	6,766
Accrued income taxes	540	4,769
Allowance for employees' bonuses	367	3,241
Other current liabilities	263	2,323
Total current liabilities	18,794	165,995
Long-term debt,less current portion	3,000	26,497
Allowance for retirement and severance benefits	2,622	23,158
Allowance for retirement and severance benefits for directors	85	751
Other non-current liabilities	196	1,732
Total long-term liabilities	5,903	52,138
Shareholders' equity:		
Common stock,no par value		
Authorized : 256,000 shares at September 30,2005		
Issued : 92,000 shares at September 30,2005	2,496	22,046
Capital surplus	2,055	18,151
Retained earnings	10,061	88,862
Foreign currency translation adjustments	3	26
Total shareholders' equity	14,615	129,085
Total liabilities and shareholders' equity	39,312	347,218

Tokyo Electron Device Limited
Consolidated Statement of Cash Flows
For the six months ended September 30,2005

	Millions of Yen	Thousands of U.S.dollars
	2005	2005
Cash flow from operating activities:		
Income before income taxes	¥ 1,219	\$ 10,767
Depreciation and amortization	126	1,113
Increase in allowance for retirement and severance benefits	(53)	(468)
Increase(decrease) in allowance for employees' bonuses	(64)	(565)
Interest expenses	45	397
Increase(decrease) in trade notes and accounts receivable	(1,447)	(12,780)
Increase(decrease) in inventories	(1,794)	(15,845)
Increase(decrease) in accounts payable	3,142	27,751
Others	(232)	(2,050)
Subtotal	942	8,320
Interest paid	(45)	(398)
Income taxes paid	(385)	(3,400)
Net cash provided by(used by)operating activities	512	4,522
Cash flow from investing activities:		
Payment for purchase of property,plant and equipment	(144)	(1,272)
Payment for acquisition of intangible assets	(12)	(106)
Others	19	168
Net cash used in investing activities	(137)	(1,210)
Cash flow from financing activities:		
Increase(decrease) in short-term borrowings	82	724
Dividends paid	(276)	(2,438)
Net cash provided by financing activities	(194)	(1,714)
Effect of exchange rate changes on cash and cash equivalents	2	18
Net increase(decrease)in cash and cash equivalents	183	1,616
Cash and cash equivalents at beginning of year	927	8,188
Cash and cash equivalents at end of year	1,110	9,804

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