

Tokyo Electron Device Limited
Consolidated Statements of Income
For the six months ended September 30, 2007 and 2006

	Millions of		Thousands of	
	Yen		U.S.dollars	
	2007	2006	2007	
Net sales	¥ 53,789	¥ 45,625	\$ 465,996	
Cost of sales	45,614	39,724	395,174	
Gross profit	8,175	5,901	70,822	
Selling, general and administrative expenses	6,338	4,350	54,909	
Operating income	1,836	1,550	15,913	
Other income(expenses)				
Interest expenses	(42)	(39)	(369)	
Asset finance costs	(85)	(88)	(742)	
Foreign currency gain or loss	106	(28)	926	
Prior-period adjustment of allowance for doubtful accounts	4	3	40	
Other, net	4	25	40	
Income before income taxes	1,824	1,422	15,808	
Provision for income taxes	764	581	6,619	
Net income	1,060	841	9,189	
Per share of common stock:	Yen	Yen	U.S.dollars	
Net income - actual	¥ 10,006	¥ 9,146	\$ 87	
Cash dividends paid - actual	¥ 3,300	¥ 3,000	\$ 29	

Notes: U.S.dollar amounts are translated from yen, for convenience only, at the rate of ¥115.43 to U.S.\$1.00.

Tokyo Electron Device Limited
Consolidated Balance Sheet
As of September 30, 2007 and 2006

Assets	Millions of		Thousands of
	Yen		U.S. dollars
	2007	2006	2007
Current assets:			
Cash and time deposits	¥ 1,235	¥ 793	\$ 10,707
Accounts receivable - Trade	22,016	17,478	190,735
Allowance for doubtful accounts	(2)	(4)	(18)
Inventories	17,311	16,407	149,974
Prepaid expenses and other current assets	2,186	726	18,938
Total current assets	<u>42,747</u>	35,400	<u>370,336</u>
Long-term assets:			
Tangible fixed assets	1,083	699	9,390
Intangible fixed assets	504	144	4,373
Investments and other assets	2,241	1,476	19,418
Total long-term assets	<u>3,830</u>	2,320	<u>33,181</u>
Total assets	<u><u>46,578</u></u>	37,721	<u><u>403,518</u></u>

Notes: U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥115.43 to U.S. \$1.00.

Liabilities and	Millions of		Thousands of
Shareholders' Equity	Yen		U.S. dollars
	2007	2006	2007
Current liabilities:			
Short-term bank loans	¥ 755	¥ 2,478	\$ 6,547
Current portion of long term-loan	3,000	-	25,990
Accounts payable - Trade	12,511	11,177	108,392
Allowance for employees' bonuses	638	532	5,528
Other current liabilities	4,795	1,908	41,548
Total current liabilities	21,701	16,097	188,005
Long-term debt,less current portion	-	3,000	-
Allowance for retirement and severance benefits	3,709	2,611	32,138
Allowance for retirement and severance benefits for directors	115	101	1,000
Other non-current liabilities	248	220	2,150
Total long-term liabilities	4,073	5,932	35,288
Shareholders' equity:			
Common stock,no par value			
Authorized : 256,000 shares at September 30,2007 & 2006			
Issued : 106,000 shares at September 30,2007			
92,000 shares at September 30,2006	2,495	2,495	21,621
Capital surplus	5,645	2,054	48,906
Retained earnings	12,656	11,154	109,644
Foreign currency translation adjustments & other	6	(13)	54
Total shareholders' equity	20,803	15,691	180,225
Total liabilities and shareholders' equity	46,578	37,721	403,518

Tokyo Electron Device Limited
Consolidated Statements of Changes in net assets
For the six months ended September 30,2007

Millions of yen							
	Shareholders' equity			Valuation and translation adjustments			Total net assets
	Common stock	Capital surplus	Retained earnings	Unrealized gains or losses on securities	Deferred gains or losses on hedges	Translation adjustment	
Balance 3/31/07	¥2,495	¥5,645	¥11,913	¥(0)	¥(1)	¥3	¥20,056
Cash dividends	-	-	(318)	-	-	-	(318)
Net income	-	-	1,060	-	-	-	1,060
Other,net	-	-	-	¥(0)	9	(4)	4
Balance 9/30/07	¥2,495	¥5,645	¥12,656	¥(0)	¥8	¥(1)	¥20,803

Thousands of U.S.dollars							
	Shareholders' equity			Valuation and Translation Adjustments			Total Net assets
	Common stock	Capital surplus	Retained earnings	Unrealized gains or losses on securities	Deferred gains or losses on hedges	Translation adjustment	
Balance 3/31/07	\$21,621	\$48,906	\$103,210	\$(1)	\$(13)	\$31	\$173,754
Cash dividends	-	-	(2,755)	-	-	-	(2,755)
Net income	-	-	9,189	-	-	-	9,189
Other,net	-	-	-	(7)	86	(42)	37
Balance 9/30/07	\$21,621	\$48,906	\$109,644	\$(8)	\$73	\$(11)	\$180,225

Notes: U.S.dollar amounts are translated from yen,for convenience only,at the rate of ¥115.43 to U.S.\$1.00.

Tokyo Electron Device Limited
Consolidated Statements of Cash Flows
For the six months ended September 30, 2007 and 2006

	Millions of Yen		Thousands of U.S.dollars	
	2007	2006	2007	
Cash flow from operating activities:				
Income before income taxes	¥ 1,824	¥ 1,422	\$ 15,808	
Depreciation and amortization	163	116	1,419	
Increase in allowance for retirement and severance benefits	94	(47)	819	
Increase(decrease) in allowance for employees' bonuses	(185)	54	(1,609)	
Interest expenses	42	39	369	
Increase(decrease) in trade notes and accounts receivable	1,307	(437)	11,325	
Increase(decrease) in inventories	(430)	(575)	(3,732)	
Increase(decrease) in accounts payable	(337)	(1,098)	(2,927)	
Others	2	725	22	
Subtotal	2,480	199	21,493	
Receipts from interest and dividends	1	1	11	
Interest paid	(42)	(39)	(370)	
Income taxes paid	(930)	(547)	(8,063)	
Net cash provided by(used by)operating activities	1,508	(386)	13,070	
Cash flow from investing activities:				
Payment for purchase of property, plant and equipment	(293)	(59)	(2,541)	
Payment for acquisition of intangible assets	(204)	(17)	(1,776)	
Others	(3)	(33)	(28)	
Net cash used in investing activities	(501)	(109)	(4,345)	
Cash flow from financing activities:				
Increase(decrease) in short-term borrowings	(593)	766	(5,139)	
Dividends paid	(318)	(276)	(2,755)	
Net cash provided by financing activities	(911)	490	(7,894)	
Effect of exchange rate changes on cash and cash equivalents	(2)	(0)	(24)	
Net increase(decrease)in cash and cash equivalents	93	(5)	808	
Cash and cash equivalents at beginning of year	1,142	798	9,899	
Cash and cash equivalents at end of year	1,235	793	10,707	

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¥115.43 to U.S.\$1.00.