

**CREE, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands)

	<u>June 27, 2010</u> (Unaudited)	<u>June 28, 2009</u>
<b>Assets:</b>		
<b>Current assets:</b>		
Cash, cash equivalents and short term investments	\$ 1,066,405	\$ 417,653
Accounts receivable, net	117,535	103,035
Inventories	112,241	78,841
Income taxes receivable	-	1,526
Deferred income taxes	18,823	10,022
Prepaid expenses and other current assets	40,159	18,359
<b>Total current assets</b>	<u>1,355,163</u>	<u>629,436</u>
Property and equipment, net	419,726	320,110
Long-term investments	-	29,557
Intangible assets, net	106,109	113,328
Goodwill	313,019	304,791
Other assets	5,159	7,345
<b>Total assets</b>	<u>\$ 2,199,176</u>	<u>\$ 1,404,567</u>
<b>Liabilities and Shareholders' Equity:</b>		
<b>Current liabilities:</b>		
Accounts payable, trade	\$ 63,826	\$ 38,770
Accrued salaries and wages	26,247	16,732
Income taxes payable	14,375	8,139
Deferred income taxes	-	122
Other current liabilities	15,643	7,868
Contingent payment due related to COTCO acquisition	-	57,050
<b>Total current liabilities</b>	<u>120,091</u>	<u>128,681</u>
<b>Long-term liabilities:</b>		
Deferred income taxes	39,398	42,752
Other long-term liabilities	11,639	8,386
<b>Total long-term liabilities</b>	<u>51,037</u>	<u>51,138</u>
<b>Shareholders' Equity:</b>		
Common stock	135	112
Additional paid-in-capital	1,507,435	857,383
Accumulated other comprehensive income, net of taxes	12,171	11,236
Retained earnings	508,307	356,017
<b>Total shareholders' equity</b>	<u>2,028,048</u>	<u>1,224,748</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 2,199,176</u>	<u>\$ 1,404,567</u>