

CREE, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	<u>12/30/2007</u> <u>(Unaudited)</u>	<u>6/25/2007</u>
Assets:		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 295,121	\$ 242,655
Accounts receivable, net	90,520	79,668
Inventory, net	75,063	71,068
Income taxes receivable and prepaid income taxes	3,246	7,947
Deferred income taxes	19,939	23,573
Prepaid expenses and other current assets	10,389	8,920
Assets of discontinued operations	150	301
Total current assets	<u>494,428</u>	<u>434,132</u>
Property and equipment, net	354,252	372,345
Long-term investments held to maturity	66,828	68,363
Intangible assets, net	89,573	96,138
Goodwill	144,334	141,777
Other assets	3,526	3,475
Total assets	<u>\$ 1,152,941</u>	<u>\$ 1,116,230</u>
Liabilities and Shareholders' Equity:		
Current liabilities:		
Accounts payable, trade	\$ 36,612	\$ 32,940
Accrued salaries and wages	10,197	10,241
Income taxes payable	6,856	4,504
Other current liabilities	6,212	6,259
Liabilities of discontinued operations	572	505
Total current liabilities	<u>60,449</u>	<u>54,449</u>
Long-term liabilities:		
Deferred income taxes	36,499	38,758
Contingent tax reserves	5,792	5,792
Other long-term liabilities	173	129
Long-term liabilities of discontinued operations	924	1,103
Total long-term liabilities	<u>43,388</u>	<u>45,782</u>
Shareholders' Equity:		
Common stock	107	106
Additional paid-in-capital	736,242	713,778
Comprehensive income	1,168	9,826
Retained earnings	311,587	292,289
Total shareholders' equity	<u>1,049,104</u>	<u>1,015,999</u>
Total liabilities and shareholders' equity	<u>\$ 1,152,941</u>	<u>\$ 1,116,230</u>