

CREE, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	<u>3/27/2005</u> <u>(Unaudited)</u>	<u>6/27/2004</u> <u>(Audited)</u>
Assets:		
Current assets:		
Cash and equivalents and short term investments held to maturity	\$ 142,102	\$ 158,163
Accounts receivable, net	50,274	47,766
Inventories, net	29,346	19,428
Deferred income taxes	2,270	2,560
Prepaid Insurance	3,356	2,304
Prepaid expenses and other current assets	10,122	4,672
Total current assets	<u>237,470</u>	<u>234,893</u>
Property and equipment, net	343,521	273,342
Long-term investments held to maturity	86,982	72,730
Patents and license rights, net	21,344	19,831
Marketable securities available for sale	18,613	22,002
Other assets	7,367	5,202
Total assets	<u>\$ 715,297</u>	<u>\$ 628,000</u>
Liabilities and Shareholders' Equity:		
Current liabilities:		
Accounts payable trade	\$ 27,706	\$ 25,102
Accrued salaries and other expenses	11,818	11,443
Income tax payable	4,297	-
Deferred revenue	-	8,437
Total current liabilities	<u>43,821</u>	<u>44,982</u>
Long term liabilities:		
Deferred income taxes	9,484	3,886
Total long term liabilities	<u>9,484</u>	<u>3,886</u>
Shareholders' Equity:		
Common stock	94	91
Additional paid in capital	519,853	506,275
Other comprehensive income, net of tax	4,773	5,627
Retained earnings	137,272	67,139
Total shareholders' equity	<u>661,992</u>	<u>579,132</u>
Total liabilities and shareholders' equity	<u>\$ 715,297</u>	<u>\$ 628,000</u>