

BTU INTERNATIONAL, INC.
 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (in thousands, except share and per share data)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	September 27, 2009	September 28, 2008	September 27, 2009	September 28, 2008
Net sales	\$ 12,409	\$ 20,578	\$ 33,023	\$ 57,581
Costs of goods sold	8,548	11,373	24,093	32,433
Gross profit	3,861	9,205	8,930	25,148
Operating expenses:				
Selling, general and administrative	4,697	6,372	13,397	17,685
Research, development and engineering	1,411	1,748	5,286	5,138
Operating income (loss)	(2,247)	1,085	(9,753)	2,325
Interest income	68	121	214	299
Interest expense	(206)	(182)	(504)	(536)
Other income (loss), net	3	(150)	(198)	(421)
Income (loss) before provision for income taxes	(2,382)	874	(10,241)	1,667
Provision for income taxes	238	197	419	603
Net income (loss)	\$ (2,620)	\$ 677	\$ (10,660)	\$ 1,064
Income (loss) per share:				
Basic	\$ (0.29)	\$ 0.07	\$ (1.16)	\$ 0.11
Diluted	\$ (0.29)	\$ 0.07	\$ (1.16)	\$ 0.11
Weighted average number of shares outstanding:				
Basic shares	9,194,502	9,389,456	9,222,723	9,373,294
Effect of dilutive options	-	141,738	-	154,602
Diluted shares	9,194,502	9,531,194	9,222,723	9,527,896

Note - The above expenses include in 000's:

Stock-based compensation expense	\$ 303	\$ 305	\$ 912	\$ 832
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BTU INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

Assets	September 27, <u>2009</u>	December 31, <u>2008</u>
Current assets		
Cash and cash equivalents	\$ 24,792	\$ 27,464
Accounts receivable	11,414	15,450
Inventories	15,149	19,044
Other current assets	<u>465</u>	<u>909</u>
Total current assets	<u>51,820</u>	<u>62,867</u>
Property, plant and equipment, net	6,311	6,886
Other assets, net	<u>1,149</u>	<u>1,562</u>
Total assets	<u>\$ 59,280</u>	<u>\$ 71,315</u>
Liabilities and stockholders' equity		
Current liabilities		
Current portion of long-term debt	\$ 305	\$ 290
Trade accounts payable	3,994	5,058
Other current liabilities	<u>6,768</u>	<u>7,399</u>
Total current liabilities	11,067	12,747
Long-term debt, less current portion	<u>8,763</u>	<u>8,988</u>
Total liabilities	<u>19,830</u>	<u>21,735</u>
Total stockholders' equity	<u>39,450</u>	<u>49,580</u>
Total liabilities and stockholders' equity	<u>\$ 59,280</u>	<u>\$ 71,315</u>