

Non-consolidated Financial Review for the Year Ended March 31, 2000

Company name: TOKYO ELECTRON LIMITED
 Headquarters address: 3-6 Akasaka 5-chome, Minato-ku, Tokyo 107-8481 Japan
 Telephone number: (03) 5561-7000
 Stock exchange listing: Tokyo Stock Exchange 1st Section
 Code number: 8035
 Inquiries: Yukio Saeki, Vice President, Accounting Department

Board of Directors Meeting: May 19, 2000
 General Shareholders' Meeting: June 28, 2000
 Declaration of interim dividends: Yes

For reference only: The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

1. Financial highlights for the year ended March 31, 2000

Note: All figures are rounded down to the nearest million yen.

(1) Operating results

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended 3/31/00	364,212	36.7	13,936	238.4	16,481	112.7
Year ended 3/31/99	266,397	(-37.1)	4,117	(-91.1)	7,748	(-85.0)

	Net income		Earnings per share	Fully diluted earnings per share	Return on equity	Ordinary income to total assets	Ordinary income to sales
	Millions of yen	%	Yen	Yen	%	%	%
Year ended 3/31/00	8,128	25.0	46.42	45.57	3.2	3.9	4.5
Year ended 3/31/99	6,503	(-76.6)	37.25	36.59	2.6	1.9	2.9

Notes:

- Average number of shares of common stock outstanding during the year ended:

March 31, 2000	175,129,937 shares
March 31, 1999	174,584,234 shares
- Changes in accounting methods: None
- Percentages for net sales, operating income, ordinary income and net income indicate changes from the previous term.

(2) Cash dividends

	Annual dividends per share			Total dividends paid	Payout ratio	Annual dividends to shareholders' equity
	Yen	Interim Yen	F.Y. end Yen	(Full year) Millions of yen		
Year ended 3/31/00	14.00	6.00	8.00	2,451	30.2	0.9
Year ended 3/31/99	12.00	6.00	6.00	2,092	32.2	0.8

(3) Financial position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Year ended 3/31/00	443,278	258,380	58.3	1,470.91
Year ended 3/31/99	394,427	249,695	63.3	1,429.91

Notes:

1. Number of shares of common stock issued at the end of the period as of:

March 31, 2000	175,659,848 shares
March 31, 1999	174,623,995 shares

2. Corporate estimates for the year ending March 31, 2001

	Net sales (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Annual dividends per share		
				Interim	F.Y. end	
				(Yen)	(Yen)	(Yen)
Six months ending 9/30/00	256,000	16,000	8,700	15.00	-	-
Year ending 3/31/01	533,000	40,000	21,700	-	15.00	30.00

For reference: Estimate of earnings per share for the year ending March 31, 2001: 123.53 yen

Non-consolidated Balance Sheet

(Millions of yen)

	Year ended March 31, 2000		Year ended March 31, 1999		Increase (decrease)	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	%
(Assets)	443,278	100.0	394,427	100.0	48,851	12.4
Current Assets	363,433	82.0	318,519	80.8	44,914	14.1
Cash and cash equivalents	72,635		41,477		31,157	
Trade notes	11,785		10,246		1,539	
Accounts receivable - trade	133,016		106,739		26,276	
Marketable securities	834		834		-	
Treasury stock	49		33		15	
Inventory	27,450		25,809		1,641	
Supplies	159		1,266		(1,106)	
Advances paid	605		531		74	
Prepaid expenses	301		318		(17)	
Deferred tax assets	751		-		751	
Short-term loans to subsidiaries	105,014		123,159		(18,144)	
Accounts receivable - other	10,557		7,492		3,064	
Others	1,833		2,457		(623)	
Allowance for doubtful accounts	(1,563)		(1,848)		285	
Fixed Assets	79,844	18.0	75,907	19.2	3,937	5.2
Tangible fixed assets	36,100	8.2	38,665	9.8	(2,564)	(6.6)
Buildings	16,162		18,112		(1,950)	
Structures	537		614		(77)	
Machinery & equipment	4,420		4,742		(322)	
Vehicles & carriers	0		0		(0)	
Tools, furniture & fixtures	1,597		1,876		(279)	
Land	13,318		13,318		-	
Construction in progress	64		-		64	
Intangible fixed assets	3,261	0.7	546	0.1	2,714	496.9
Patent rights	1,254		380		874	
Telephone rights and others	53		58		(5)	
Software	1,852		-		1,852	
Others	100		107		(7)	
Investments and other assets	40,482	9.1	36,695	9.3	3,786	10.3
Investment securities	7,005		6,608		397	
Treasury stock	1,611		1,090		520	
Investments in subsidiaries	22,892		17,544		5,347	
Long-term loans to employees	83		99		(16)	
Long-term loans to subsidiaries	1,793		2,077		(284)	
Long-term prepaid expenses	1,766		2,918		(1,151)	
Deferred tax assets	387		-		387	
Long-term deposits	3,756		3,755		0	
Others	1,423		2,619		(1,195)	
Allowance for doubtful accounts	(237)		(18)		(218)	
Total Assets	443,278	100.0	394,427	100.0	48,851	12.4

Non-consolidated Balance Sheet

(Millions of yen)

	Year ended March 31, 2000		Year ended March 31, 1999		Increase (decrease)	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	%
(Liabilities)	184,898	41.7	144,731	36.7	40,167	27.8
Current liabilities	122,214	27.6	68,061	17.3	54,153	79.6
Trade notes	0		2		(2)	
Accounts payable - trade	67,102		44,339		22,763	
Short-term loans	951		1,226		(275)	
Commercial paper	-		10,000		(10,000)	
Current portion of long-term debt	30,000		-		30,000	
Accounts payable - other	15,343		10,665		4,677	
Accrued expenses	137		85		51	
Accrued income taxes	5,525		-		5,525	
Advances received	1,112		456		655	
Deposits received	351		277		74	
Unearned revenue	182		184		(1)	
Allowance for employees' bonuses	1,508		824		684	
Long-term liabilities	62,683	14.1	76,670	19.4	(13,986)	(18.2)
Straight bonds	40,000		50,000		(10,000)	
Convertible bonds	15,601		18,864		(3,263)	
Long-term loans	3,400		4,200		(800)	
Allowance for retirement and severance benefits	3,652		3,570		81	
Deposits received for guarantees	30		35		(5)	
(Shareholders' equity)	258,380	58.3	249,695	63.3	8,684	3.5
Common stock	47,163	10.7	45,531	11.5	1,631	3.6
Additional paid-in capital	70,225	15.8	68,593	17.4	1,631	2.4
Legal reserve	4,827	1.1	4,612	1.2	214	4.7
Retained earnings	136,164	30.7	130,957	33.2	5,206	4.0
Appropriated retained earnings						
Reserve for special depreciation	821		1,343		(521)	
Reserve for developing a domestic market for an imported product	695		1,800		(1,104)	
Special reserve fund	124,500		116,500		8,000	
Unappropriated retained earnings	10,147		11,314		(1,167)	
(Net income)	(8,128)		(6,503)		(1,624)	
Total liabilities and shareholders' equity	443,278	100.0	394,427	100.0	48,851	12.4

Non-consolidated Statement of Income

(Millions of yen)

	Year ended March 31, 2000		Year ended March 31, 1999		Increase (decrease)	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	% Change
(Ordinary or recurring profit and loss)						
Operating profit and loss						
Net sales	364,212	100.0	266,397	100.0	97,814	36.7
Cost of sales	315,125	86.5	236,783	88.9	78,341	33.1
Gross margin	49,087	13.5	29,613	11.1	19,473	65.8
Selling, general & administrative expenses	35,151	9.7	25,496	9.6	9,655	37.9
Operating income	13,936	3.8	4,117	1.5	9,818	238.4
Non-operating profit and loss						
Non-operating income						
Interest income	1,588	0.4	2,090	0.8	(501)	
Dividend income	1,805	0.5	1,190	0.4	614	
Rent revenue	2,640	0.7	3,064	1.2	(424)	
Miscellaneous income	593	0.2	783	0.3	(190)	
Non-operating expenses						
Interest expenses	87	0.0	97	0.0	(9)	
Bond interest	1,475	0.4	1,305	0.5	169	
New stock issuing expenses	24	0.0	1	0.0	23	
New bond issuing expenses	100	0.0	-	-	100	
Rent expenses	1,502	0.4	1,291	0.5	210	
Foreign currency translation loss	729	0.2	613	0.2	115	
Miscellaneous expenses	162	0.0	188	0.1	(26)	
Ordinary income	16,481	4.5	7,748	2.9	8,732	112.7
(Unusual or infrequent profit and loss)						
Unusual or infrequent profit						
Prior period adjustment	378	0.1	-	-	378	
Reversal of allowance for doubtful accounts	66	0.0	374	0.1	(307)	
Proceeds from sale of fixed assets	106	0.0	43	0.0	62	
Other unusual or infrequent profit	-	-	12	0.0	(12)	
Unusual or infrequent loss						
Loss on proceeds or disposal of fixed assets	554	0.2	129	0.0	424	327.5
Patent royalties for prior periods	1,574	0.4	-	-	1,574	
Devaluation of golf memberships	1,078	0.3	-	-	1,078	
Devaluation of investment in subsidiary	545	0.1	-	-	545	
Redemption loss on investment securities	-	-	127	0.0	(127)	
Transfer loss on investment securities	-	-	39	0.0	(39)	
Other unusual or infrequent loss	38	0.0	-	-	38	
Earnings before income taxes	13,239	3.6	7,882	3.0	5,357	68.0
Provision for income taxes	6,862	1.9	1,378	0.5	5,483	397.9
Deferred income taxes	(1,751)	(0.5)	-	-	(1,751)	-
Net income	8,128	2.2	6,503	2.5	1,624	25.0
Profit and loss carried forward	2,684		5,961			
Prior period adjustment for deferred income taxes	(612)		-			
Reversal of reserves associated with applying deferred tax accounting	1,100		-			
Interim dividends	1,048		1,045			
Transfer to legal reserve	104		104			
Unappropriated retained earnings	10,147		11,314			

Proposal for Appropriation of Surplus

			(Millions of yen)
	Year ended March 31, 2000	Year ended March 31, 1999	Increase (decrease)
	Amount	Amount	Amount
Unappropriated retained earnings at end of year	10,147	11,314	(1,167)
Reversal of voluntary reserve			
Reserve for special depreciation	155	239	(84)
Reserve for developing a domestic market for an imported product	347	600	(252)
Total	10,650	12,153	(1,503)
Appropriations			
Legal reserve	150	110	40
Cash dividends	1,402	1,046	356
	(Dividends per share: 8 yen)	(Dividends per share: 6 yen)	
Bonuses to directors	57	-	57
Appropriated retained earnings			
Reserve for special depreciation	109	313	(204)
Reserve for an unspecified purpose	3,000	8,000	(5,000)
Retained earnings to be carried forward	5,931	2,684	3,246

Notes:

1. Interim cash dividends of 1,048 million yen (6 yen per share) were implemented on December 10, 1999.
2. Additions to or reversals of the reserve for special depreciation and the reserve for developing a domestic market for imported products are conducted in accordance with the Special Taxation Measure Law.