

# Non-consolidated Interim Financial Review for the Six Months Ended September 30, 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  
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Interim Board of Directors Meeting: November 10, 2000  
 Date of interim dividend payment: December 11, 2000  
 Declaration of interim dividends: Yes

## 1. Financial highlights for the six months ended September 30, 2000 ( 4/1/00 - 9/30/00 )

### (1) Operating results ( Figures are rounded down to the nearest million yen. )

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended 9/30/00	283,265	91.2	26,600	-	26,820	633.9
Six months ended 9/30/99	148,175	0.1	1,969	(-73.4)	3,654	(-62.1)
Year ended 3/31/00	364,212		13,936		16,481	

	Net income		Net income per share
	Millions of yen	%	Yen
Six months ended 9/30/00	14,908	943.8	84.86
Six months ended 9/30/99	1,428	(-81.0)	8.17
Year ended 3/31/00	8,128		46.42

#### Notes:

- Average number of shares of common stock issued during the period ended:
 

September 30, 2000:	175,673,656 shares
September 30, 1999:	174,877,164 shares
March 31, 2000:	175,129,937 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

	Interim cash dividends per share	Annual cash dividends per share
	Yen	Yen
Six months ended 9/30/00	19.00	-
Six months ended 9/30/99	6.00	-
Year ended 3/31/00	-	14.00

(3) Financial position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Six months ended 9/30/00	505,204	273,369	54.1	1,556.04
Six months ended 9/30/99	409,436	250,996	61.3	1,433.36
Year ended 3/31/00	443,278	258,380	58.3	1,470.91

Notes:

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

September 30, 2000:	175,683,018 shares
September 30, 1999:	175,110,016 shares
March 31, 2000:	175,659,848 shares

2. Corporate estimates for the year ending March 31, 2001 ( 4/1/00 - 3/31/01)

	Net sales	Ordinary income	Net income	Annual cash dividends per share	
				Year end	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen
Year ending 3/31/01	620,000	56,000	32,000	19.00	38.00

For reference: Estimate of net income per share for the year ending March 31, 2001: 182.15 yen

## Non-consolidated Balance Sheet

(Millions of yen)

	As of September 30, 2000		As of September 30, 1999		Increase (decrease)	As of March 31, 2000	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	Amount	Compo- sition (%)
(Assets)							
Current assets	416,661	82.5	328,203	80.2	88,457	363,433	82.0
Cash and time deposits	65,530		51,178		14,351	72,635	
Trade notes	16,984		17,436		(451)	11,785	
Accounts receivable - trade	180,352		115,383		64,968	133,016	
Inventory	33,005		28,874		4,130	27,610	
Short-term loans	108,834		108,286		548	105,014	
Deferred tax assets	751		-		751	751	
Others	12,659		8,548		4,110	14,182	
Allowance for doubtful accounts	(1,457)		(1,504)		46	(1,563)	
Long-term assets	88,543	17.5	81,232	19.8	7,311	79,844	18.0
Tangible assets	35,283		37,445		(2,162)	36,100	
Intangible assets	3,600		1,817		1,783	3,261	
Investments and other assets	49,659		41,969		7,689	40,482	
Investments in subsidiaries	22,892		23,775		(883)	22,892	
Others	27,013		18,207		8,805	17,828	
Allowance for doubtful accounts	(246)		(13)		(232)	(237)	
Total assets	505,204	100.0	409,436	100.0	95,768	443,278	100.0

# Non-consolidated Balance Sheet

(Millions of yen)

	As of September 30, 2000		As of September 30, 1999		Increase (decrease)	As of March 31, 2000	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	Amount	Compo- sition (%)
(Liabilities)							
Current liabilities	112,339	22.2	93,324	22.8	19,015	122,214	27.6
Trade notes	-		-		-	0	
Accounts payable - trade	77,848		45,660		32,188	67,102	
Short-term borrowings	1,005		971		34	951	
Bonds due within 1 year	-		30,000		(30,000)	30,000	
Accrued income taxes	10,407		722		9,684	5,525	
Deferred tax liabilities	-		6		(6)	-	
Allowance for employees' bonuses	1,788		839		949	1,508	
Others	21,289		15,124		6,165	17,127	
Long-term liabilities	119,495	23.7	65,115	15.9	54,380	62,683	14.1
Straight bonds	94,500		40,000		54,500	40,000	
Convertible bonds	15,528		17,333		(1,805)	15,601	
Long-term borrowings	3,000		3,800		(800)	3,400	
Deferred tax liabilities	677		605		72	-	
Allowance for retirement and severance benefits 1	-		3,346		(3,346)	3,652	
Allowance for retirement and severance benefits 1	4,686		-		4,686	-	
Allowance for retirement and severance benefits for directors	359		-		359	-	
Deposits received for guarantees	30		30		(0)	30	
Stock purchase warrant	713		-		713	-	
<b>Total liabilities</b>	<b>231,835</b>	<b>45.9</b>	<b>158,439</b>	<b>38.7</b>	<b>73,395</b>	<b>184,898</b>	<b>41.7</b>
(Shareholders' equity)							
Common stock	47,199	9.3	46,297	11.3	902	47,163	10.7
Additional paid-in capital	70,261	13.9	69,359	16.9	902	70,225	15.8
Legal reserve	4,977	1.0	4,722	1.2	254	4,827	1.1
Retained earnings	149,462	29.6	130,617	31.9	18,845	136,164	30.7
Voluntary reserve	128,623		126,016		2,606	126,016	
Unappropriated retained earnings	20,839		4,600		16,238	10,147	
Revaluation of investment in securities	1,468	0.3	-	-	1,468	-	-
<b>Total shareholders' equity</b>	<b>273,369</b>	<b>54.1</b>	<b>250,996</b>	<b>61.3</b>	<b>22,373</b>	<b>258,380</b>	<b>58.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>505,204</b>	<b>100.0</b>	<b>409,436</b>	<b>100.0</b>	<b>95,768</b>	<b>443,278</b>	<b>100.0</b>

Notes:

1 New accounting standards have been adopted for benefit obligations from the year ending March 31, 2001

# Non-consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2000		Six months ended September 30, 1999		Increase (decrease)		Year ended March 31, 2000	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	% Change	Amount	Ratio to net sales
Net sales	283,265	100.0	148,175	100.0	135,090	91.2	364,212	100.0
Cost of sales	235,679	83.2	130,507	88.1	105,172	80.6	315,125	86.5
Gross margin	47,585	16.8	17,667	11.9	29,917	169.3	49,087	13.5
Selling, general & administrative expenses	20,985	7.4	15,698	10.6	5,286	33.7	35,151	9.7
Operating income	26,600	9.4	1,969	1.3	24,630	1250.7	13,936	3.8
Non-operating income								
Interest income	739		913		(173)		1,588	
Dividend income	520		1,185		(664)		1,805	
Rent revenue	1,291		1,322		(30)		2,640	
Miscellaneous income	194		301		(107)		593	
Non-operating expenses								
Interest expenses	38		45		(7)		87	
Bond interest	846		698		147		1,475	
New bond issuing expenses	275		99		176		100	
Rent expenses	893		769		124		1,502	
Foreign currency translation loss	443		384		58		729	
Miscellaneous expenses	27		38		(10)		186	
Ordinary income	26,820	9.5	3,654	2.5	23,166	633.9	16,481	4.5
Unusual or infrequent profit	126		413		(286)		550	
Unusual or infrequent loss	1,319		1,619		(300)		3,792	
Income before income taxes	25,628	9.0	2,448	1.7	23,180	946.8	13,239	3.6
Provision for income taxes	10,720		1,020		9,700		6,862	
Deferred income taxes	-		-		-		(1,751)	
Net income	14,908	5.3	1,428	1.0	13,479	943.8	8,128	2.2
Profit and loss carried	5,931		2,684		3,246		2,684	
Prior period adjustment for deferred income taxes	-		(612)		612		(612)	
Reversal of reserves associated with applying deferred tax accounting	-		1,100		(1,100)		1,100	
Interim dividend	-		-		-		1,048	
Transfer to legal reserve associated with interim dividend	-		-		-		104	
Unappropriated retained earnings	20,839		4,600		16,238		10,147	