

Non-consolidated Financial Review for the Year Ended March 31, 2001



TOKYO ELECTRON LIMITED

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 18, 2001
 General Shareholders' Meeting: June 27, 2001
 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, 2001 (4/1/00 - 3/31/01)

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 3/31/01	626,807	72.1	59,056	323.8	59,698	262.2
Year ended 3/31/00	364,212	36.7	13,936	238.4	16,481	112.7

	Net income		Net income per share	Fully diluted net income per share	Return on equity	Ordinary income to total assets	Ordinary income to sales
	Millions of yen	%	Yen	Yen	%	%	%
Year ended 3/31/01	30,934	280.6	176.08	171.94	11.4	11.4	9.5
Year ended 3/31/00	8,128	25.0	46.42	45.57	3.2	3.9	4.5

Notes:

- Average number of shares of common stock issued:

Year ended 3/31/01	175,681,748 shares
Year ended 3/31/00	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

	Annual dividends per share			Total dividends paid (Full year)	Payout ratio	Annual dividends to shareholders' equity
	Interim	F.Y. end	Yen			
	Yen	Yen	Yen	Millions of yen	%	%
Year ended 3/31/01	38.00	19.00	19.00	6,660	21.5	2.3
Year ended 3/31/00	14.00	6.00	8.00	2,451	30.2	0.9

(3) Financial position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of 3/31/01	601,416	285,638	47.5	1,625.80
As of 3/31/00	443,278	258,380	58.3	1,470.91

Note:

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

March 31, 2001	175,691,269 shares
March 31, 2000	175,659,848 shares

2. Corporate estimates for the year ending March 31, 2002 (4/1/01 - 3/31/02)

	Net sales	Ordinary income	Net income	Annual dividends per share		
				Interim	F.Y. end	
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen	Yen
Six months ending 9/30/01	217,000	4,000	2,500	7.00	-	-
Year ending 3/31/02	450,000	13,000	7,500	-	7.00	14.00

For reference: Estimate of net income per share for the year ending March 31, 2002: 42.69 yen

Non-consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2001		As of March 31, 2000		Increase (decrease)	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	(%)
(Assets)	601,416	100.0	443,278	100.0	158,137	35.7
Current Assets	486,815	80.9	363,433	82.0	123,381	33.9
Cash and time deposits	51,420		72,635		(21,215)	
Trade notes	16,865		11,785		5,079	
Accounts receivable - trade	240,701		133,016		107,685	
Marketable securities	-		834		(834)	
Treasury stock	2		49		(47)	
Inventories	39,392		27,450		11,941	
Supplies	216		159		56	
Advances paid	3,029		605		2,423	
Prepaid expenses	357		301		56	
Deferred taxes	3,057		751		2,306	
Short-term loans to subsidiaries	112,875		105,014		7,860	
Accounts receivable - other	14,140		10,557		3,583	
Others	6,531		1,833		4,697	
Allowance for doubtful accounts	(1,774)		(1,563)		(211)	
Long-term Assets	114,600	19.1	79,844	18.0	34,755	43.5
Tangible fixed assets	33,735	5.6	36,100	8.2	(2,365)	(6.6)
Buildings	12,690		16,162		(3,472)	
Structures	339		537		(197)	
Machinery & equipment	4,174		4,420		(245)	
Vehicles & carriers	0		0		-	
Tools, furniture & fixtures	1,631		1,597		33	
Land	14,835		13,318		1,517	
Construction in progress	64		64		(0)	
Intangible fixed assets	5,878	1.0	3,261	0.7	2,617	80.3
Patent rights	2,069		1,254		814	
Telephone rights and others	53		53		0	
Software	2,107		1,852		254	
Others	1,648		100		1,548	
Investments and other assets	74,986	12.5	40,482	9.1	34,503	85.2
Investment securities	8,511		7,005		1,506	
Treasury stock	3,517		1,611		1,905	
Investments in subsidiaries	45,345		22,892		22,453	
Long-term loans to employees	69		83		(14)	
Long-term loans to subsidiaries	9,313		1,793		7,520	
Long-term prepaid expenses	1,182		1,766		(584)	
Deferred taxes	2,160		387		1,773	
Long-term deposits	3,796		3,756		40	
Others	1,369		1,423		(54)	
Allowance for doubtful accounts	(280)		(237)		(42)	
Total Assets	601,416	100.0	443,278	100.0	158,137	35.7

Non-consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2001		As of March 31, 2000		Increase (decrease)	
	Amount	Compo- sition (%)	Amount	Compo- sition (%)	Amount	(%)
(Liabilities)	315,777	52.5	184,898	41.7	130,879	70.8
Current liabilities	193,591	32.2	122,214	27.6	71,377	58.4
Trade notes	4		0		4	
Accounts payable - trade	91,000		67,102		23,898	
Short-term borrowings	11,063		951		10,112	
Commercial paper	30,000		-		30,000	
Bonds due within 1 year	-		30,000		(30,000)	
Accounts payable - other	29,031		15,343		13,688	
Accrued expenses	206		137		69	
Accrued income taxes	23,518		5,525		17,993	
Advances received	1,765		1,112		653	
Deposits received	1,379		351		1,027	
Unearned revenue	118		182		(64)	
Allowance for employees' bonuses	2,061		1,508		553	
Others	3,441		-		3,441	
Long-term liabilities	122,185	20.3	62,683	14.1	59,502	94.9
Straight bonds	94,500		40,000		54,500	
Convertible bonds	15,502		15,601		(99)	
Long-term loans	2,600		3,400		(800)	
Allowance for retirement and severance benefits #	-		3,652		(3,652)	
Allowance for retirement and severance benefits #	8,493		-		8,493	
Allowance for retirement and severance benefits for directors	384		-		384	
Deposits received for guarantees	0		30		(30)	
Stock purchase warrant	705		-		705	
(Shareholders' equity)	285,638	47.5	258,380	58.3	27,258	10.5
Common stock	47,212	7.9	47,163	10.7	49	0.1
Additional paid-in capital	70,274	11.7	70,225	15.8	49	0.1
Legal reserve	5,310	0.8	4,827	1.1	483	10.0
Retained earnings	161,825	26.9	136,164	30.7	25,661	18.8
Appropriated retained earnings						
Reserve for special depreciation	775		821		(45)	
Reserve for developing a domestic market for an imported product	347		695		(347)	
Special reserve fund	127,500		124,500		3,000	
Unappropriated retained earnings	33,202		10,147		23,055	
[Net income included in above]	[30,934]		[8,128]		[22,805]	
Revaluation of investment in securities	1,014	0.2	-	-	1,014	-
Total liabilities and shareholders' equity	601,416	100.0	443,278	100.0	158,137	35.7

Note:

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

Non-consolidated Statement of Income

(Millions of yen)

	Year ended March 31, 2001		Year ended March 31, 2000		Increase (decrease)	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	(%)
(Ordinary or recurring profit and loss)						
Operating profit and loss						
Net sales	626,807	100.0	364,212	100.0	262,595	72.1
Cost of sales	518,655	82.7	315,125	86.5	203,530	64.6
Gross profit	108,152	17.3	49,087	13.5	59,065	120.3
Selling, general & administrative expenses	49,095	7.9	35,151	9.7	13,944	39.7
Operating income	59,056	9.4	13,936	3.8	45,120	323.8
Non-operating profit and loss						
Non-operating income						
Interest income	1,812	0.3	1,588	0.4	223	
Dividend income	544	0.1	1,805	0.5	(1,261)	
Rent revenue	2,120	0.3	2,640	0.7	(520)	
Miscellaneous income	334	0.1	593	0.2	(258)	
Non-operating expenses						
Interest expenses	109	0.0	87	0.0	21	
Bond interest	1,571	0.3	1,475	0.4	95	
New stock issuing expenses	0	0.0	24	0.0	(23)	
New bond issuing expenses	277	0.0	100	0.0	177	
Rent expenses	1,268	0.2	1,502	0.4	(234)	
Foreign currency translation loss	895	0.1	729	0.2	165	
Miscellaneous expenses	46	0.0	162	0.0	(115)	
Ordinary income	59,698	9.5	16,481	4.5	43,217	262.2
(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	(66)	
Proceeds from sale of fixed assets	405	0.1	106	0.0	299	
Other unusual or infrequent profit	87	0.0	-	-	87	
Unusual or infrequent loss						
Loss on proceeds or disposal of fixed assets	773	0.1	554	0.2	218	
Amortization of discrepancy arising from adoption of retirement benefit accounting standards	4,574	0.7	-	-	4,574	
Devaluation of investment securities	1,552	0.2	-	-	1,552	
Devaluation of golf memberships	25	0.0	1,078	0.3	(1,053)	
Patent royalties for prior periods	-	-	1,574	0.4	(1,574)	
Devaluation of investment in subsidiary	-	-	545	0.1	(545)	
Other unusual or infrequent loss	31	0.0	38	0.0	(7)	
Earnings before income taxes	53,234	8.5	13,239	3.6	39,994	302.1
Provision for income taxes	27,115	4.4	6,862	1.9	20,253	295.2
Deferred income taxes	(4,816)	(0.8)	(1,751)	(0.5)	(3,064)	-
Net income	30,934	4.9	8,128	2.2	22,805	280.6
Profit and loss carried forward	5,931		2,684			
Prior period adjustment for deferred income taxes	-		(612)			
Reversal of reserves associated with applying deferred tax accounting	-		1,100			
Interim dividends	3,330		1,048			
Reserve for interim dividends	333		104			
Unappropriated retained earnings	33,202		10,147			

Proposal for Appropriation of Surplus

(Millions of yen)

	Year ended March 31, 2001	Year ended March 31, 2000	Increase (decrease)
	Amount	Amount	Amount
Unappropriated retained earnings at end of year	33,202	10,147	23,055
Reversal of voluntary reserve			
Reserve for special depreciation	169	155	13
Reserve for developing a domestic market for an imported product	347	347	-
Total	33,719	10,650	23,068
Appropriations			
Legal reserve	350	150	200
Cash dividends	3,330	1,402	1,927
	(Dividends per share : 19 yen)	(Dividends per share : 8 yen)	
Bonuses to directors	114	57	57
Appropriated retained earnings			
Reserve for special depreciation	78	109	(30)
Reserve for an unspecified purpose	20,000	3,000	17,000
Retained earnings to be carried forward	9,846	5,931	3,915

Notes:

1. Interim cash dividends of 3,330 million yen (19 yen per share) were implemented on December 8, 2000.
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.