

3Q/FY2003 Financial Summary

3Q FY2003: October 1, 2002 - December 31, 2002
FY2003: April 1, 2002 - March 31, 2003

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February 5, 2003



3Q FY2003 Financial Summary

Consolidated Financial Results

(Billions of Yen)

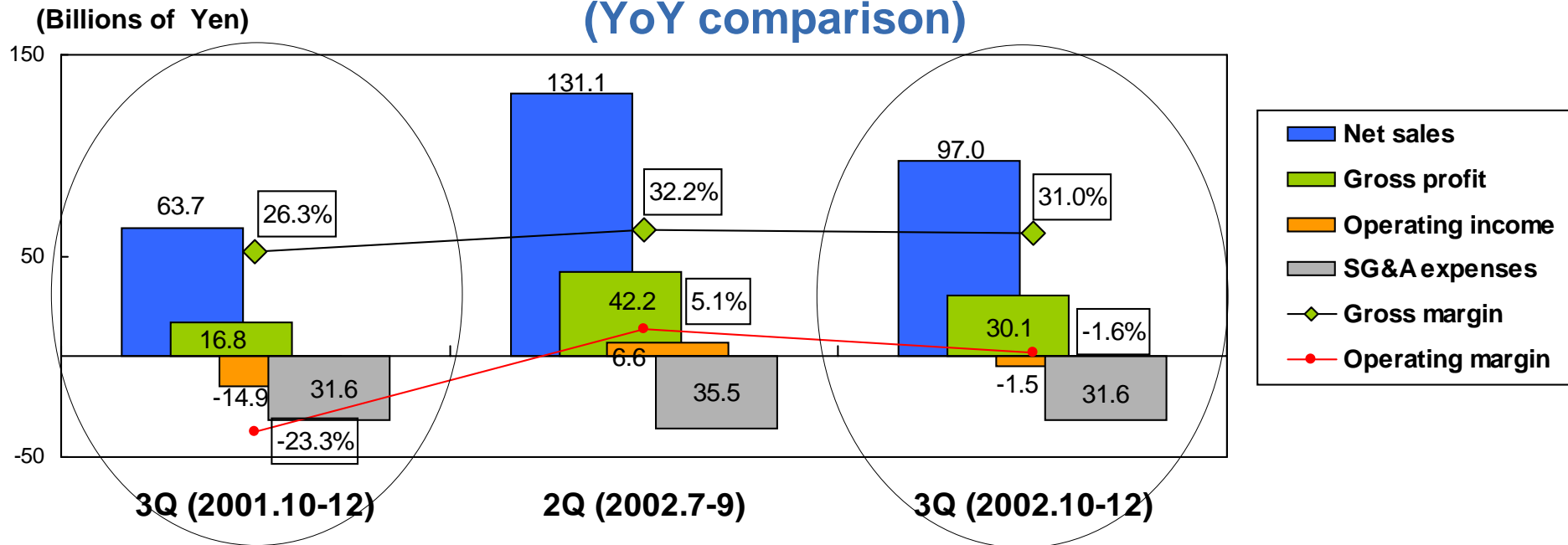
	3Q FY2002	3Q FY2003	Change	1Q-3Q FY2002	1Q-3Q FY2003	Change
Net Sales	63.7	97.0	+52.2%	316.9	320.4	+1.1%
Gross Profit	16.8	30.1	+79.3%	97.0	98.3	+1.4%
(SG&A Expenses)	(31.6)	(31.6)	-0.1%	(99.9)	(99.3)	-0.6%
Operating Income	-14.9	-1.5	-	-2.9	-1.0	-
Ordinary Income	-14.8	-1.9	-	-3.8	-2.6	-
I.B.I.T.	-14.6	-1.9	-	-2.9	-2.6	-
Net Income	-10.7	-0.2	-	-8.1	-2.7	-

Consolidated subsidiaries: 29 (companies using equity method: none)

I.B.I.T. = Income Before Income Taxes

3Q FY2003 Financial Summary

Comparison with Previous 3Q



- **Net Sales --- 52% increase**

68% increase in SPE division --- Japan (+81%) Korea (+235%)

- **Gross Margin --- 26.3% to 31.0% (4.7 point increase)**

decrease in outsourcing fee

- **Operating Income --- Loss of 14.9 billion yen to loss of 1.5 billion yen (increased by 13.4 billion yen)**

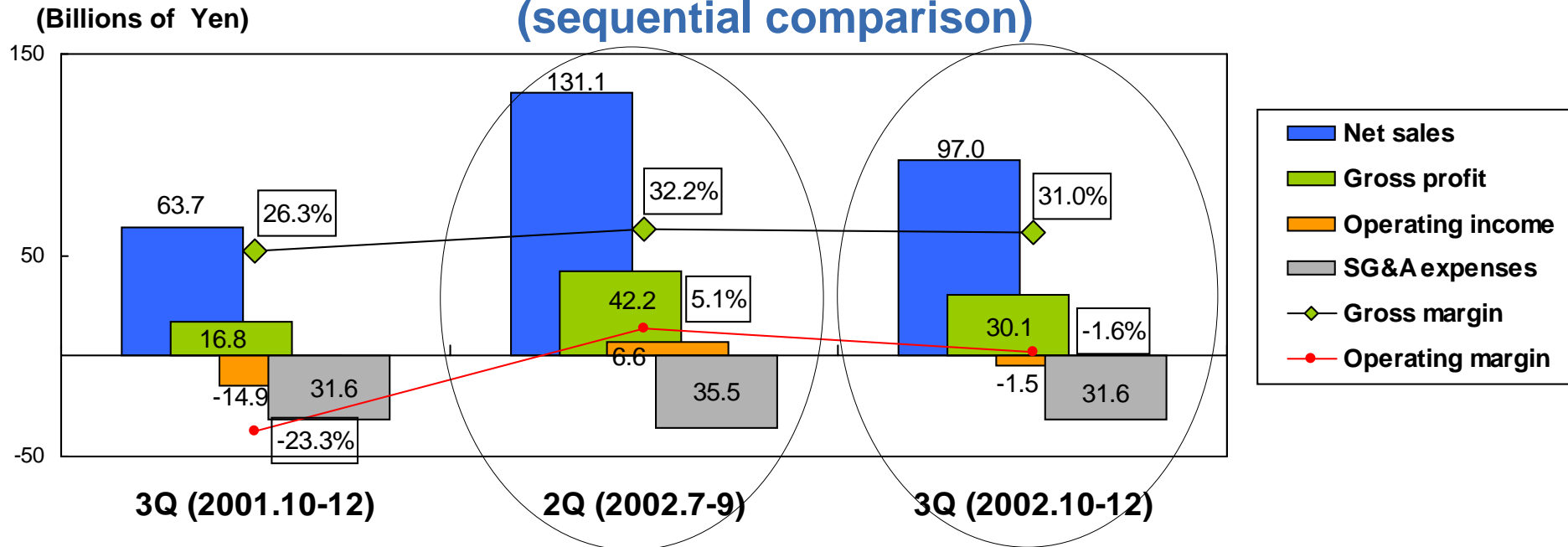
Increase in gross profit by 13.3 billion yen

SG&A expenses – flat

3Q FY2003 Financial Summary

Comparison with 2Q

(sequential comparison)



- **Net Sales --- 26% increase**

- 29% decrease in SPE division --- Taiwan (-45%) Other area (-80%)

- **Gross Margin --- 32.2% to 31.0% (1.2 point decrease)**

- Higher manufacturing fixed cost ratio due to decrease in sales
 - Plus factor: decrease in outsourcing fee

- **Operating Income --- income of 6.6 billion yen to loss of 1.5 billion yen (decreased by 8.1 billion yen)**

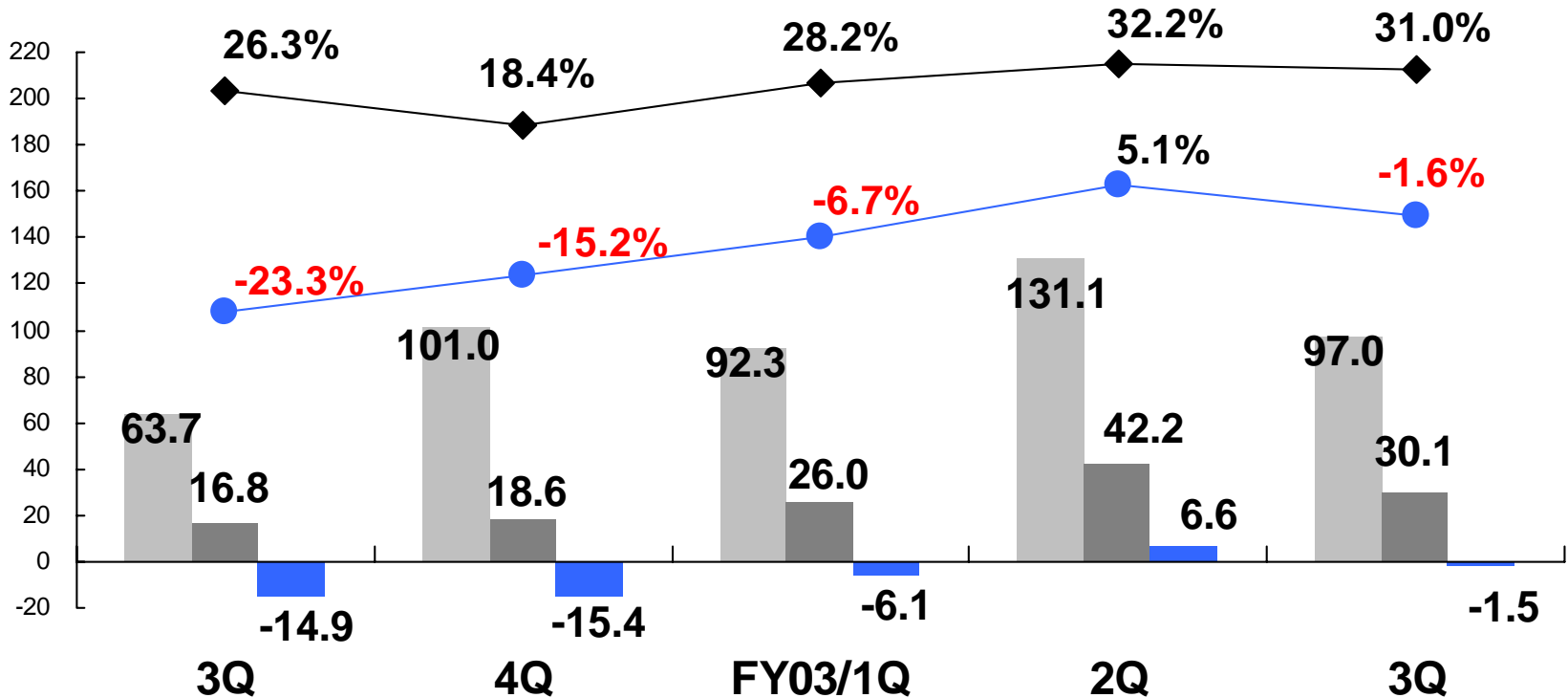
- Decrease in gross profit by 12.1 billion yen

- Decrease in SG&A expenses by 3.9 billion yen (R&D 1.1 billion yen)

3Q FY2003 Financial Summary

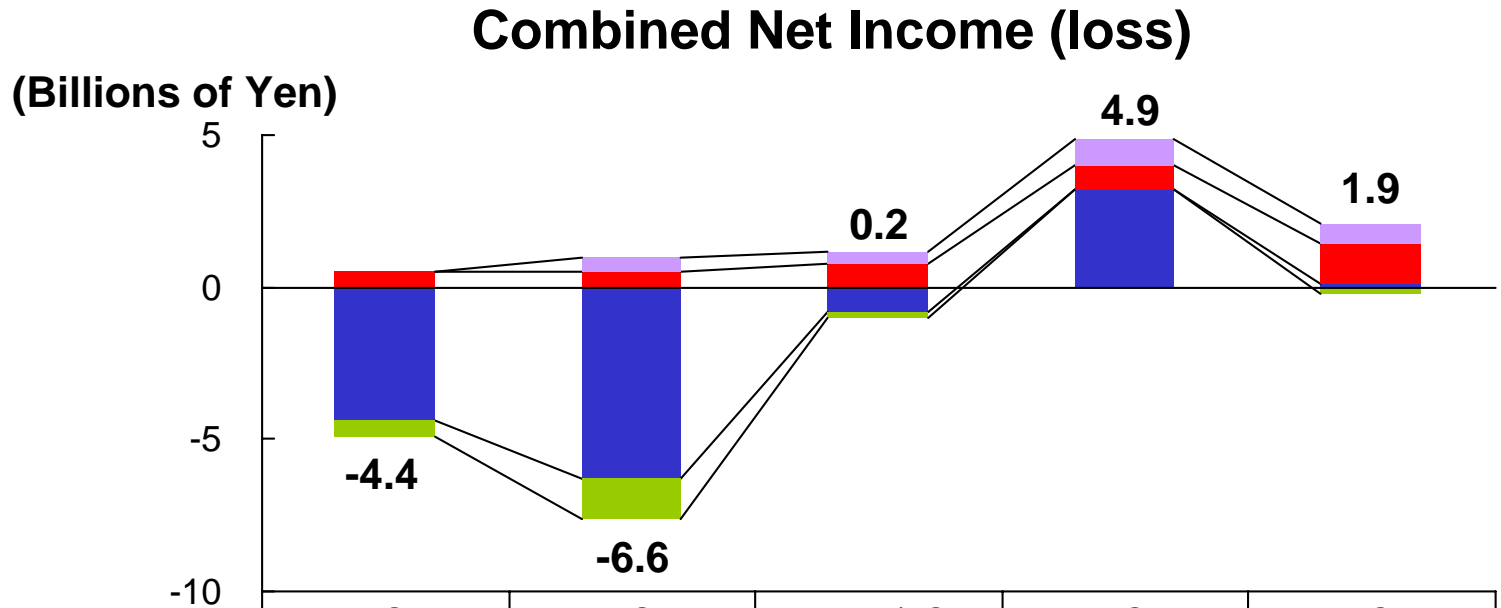
Quarterly Net Sales and Profits

(Billions of Yen)



3Q FY2003 Financial Summary

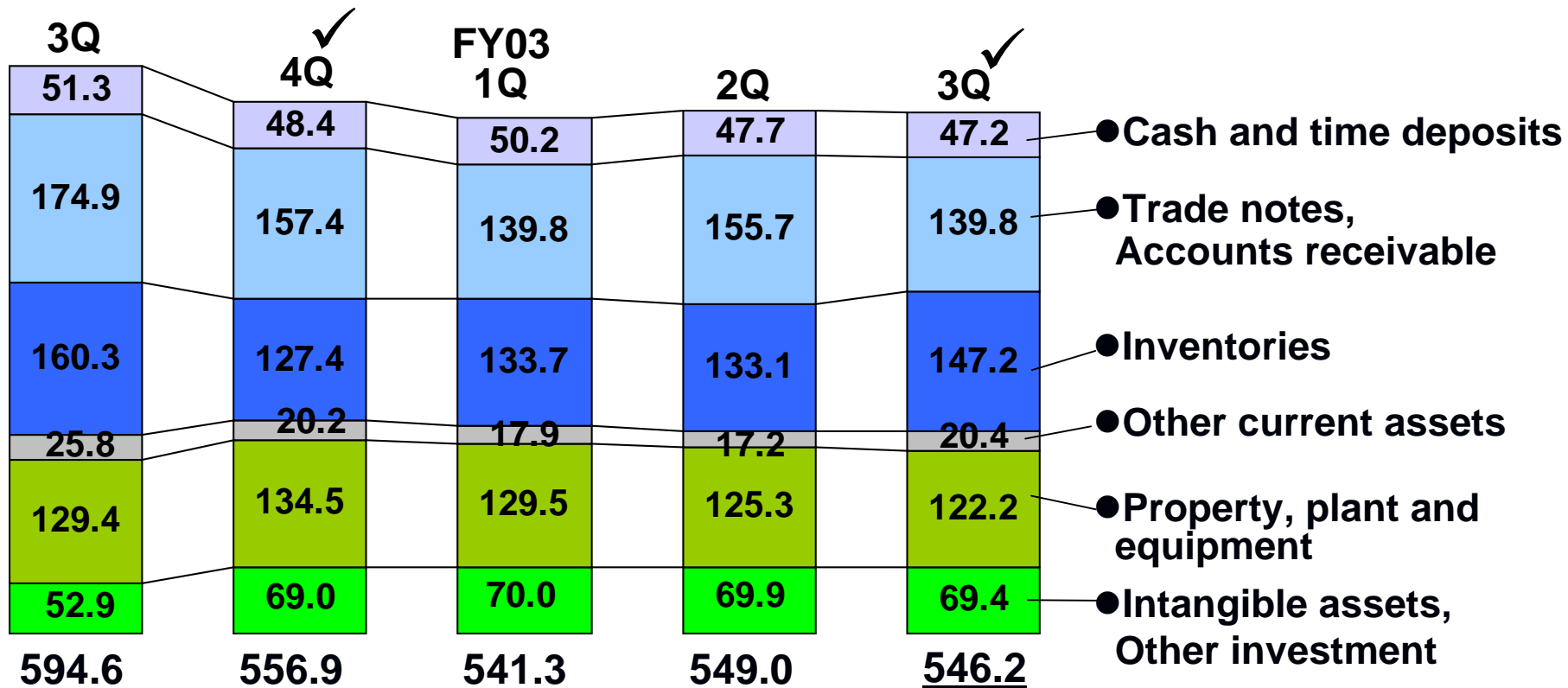
Quarterly Earnings of Subsidiaries



	3Q	4Q	FY03/1Q	2Q	3Q
Overseas Sales/Service	0.0	0.5	0.4	0.9	0.7
Domestic Service Related	0.5	0.5	0.8	0.8	1.3
Overseas Development and Manufacturing	-0.5	-1.3	-0.2	0.0	-0.2
Domestic Development and Manufacturing	-4.4	-6.3	-0.8	3.2	0.1

3Q FY2003 Financial Summary

Quarterly Assets



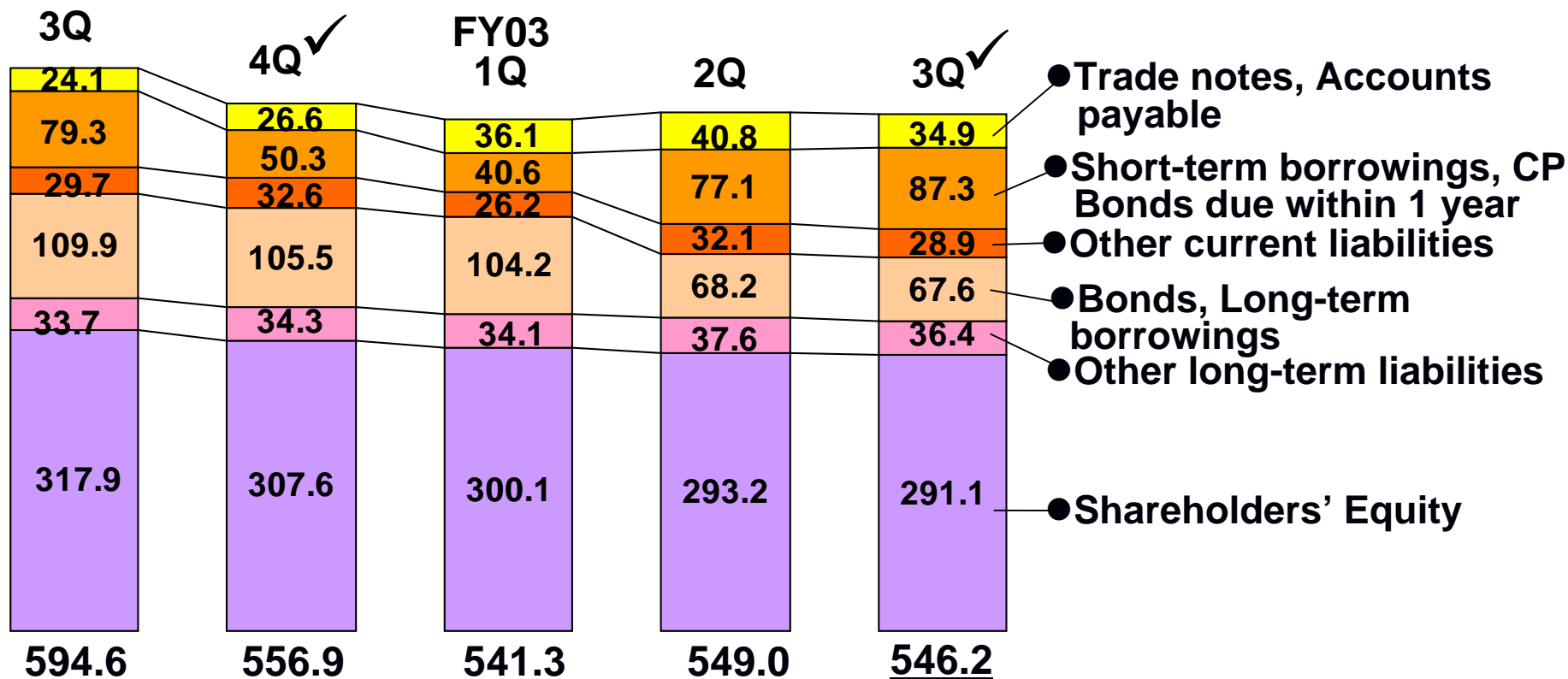
2002/3/31 vs. 2002/12/31

Trade notes & Accounts receivable	-17.6 Due to decrease in net sales
Inventories	+19.8 Increase corresponding to 4Q shipment
Property, plant and equipment	-12.3 Sale of TEL Oregon assets(-2.0), Depreciation



3Q FY2003 Financial Summary

Quarterly Liabilities & Shareholders' Equity



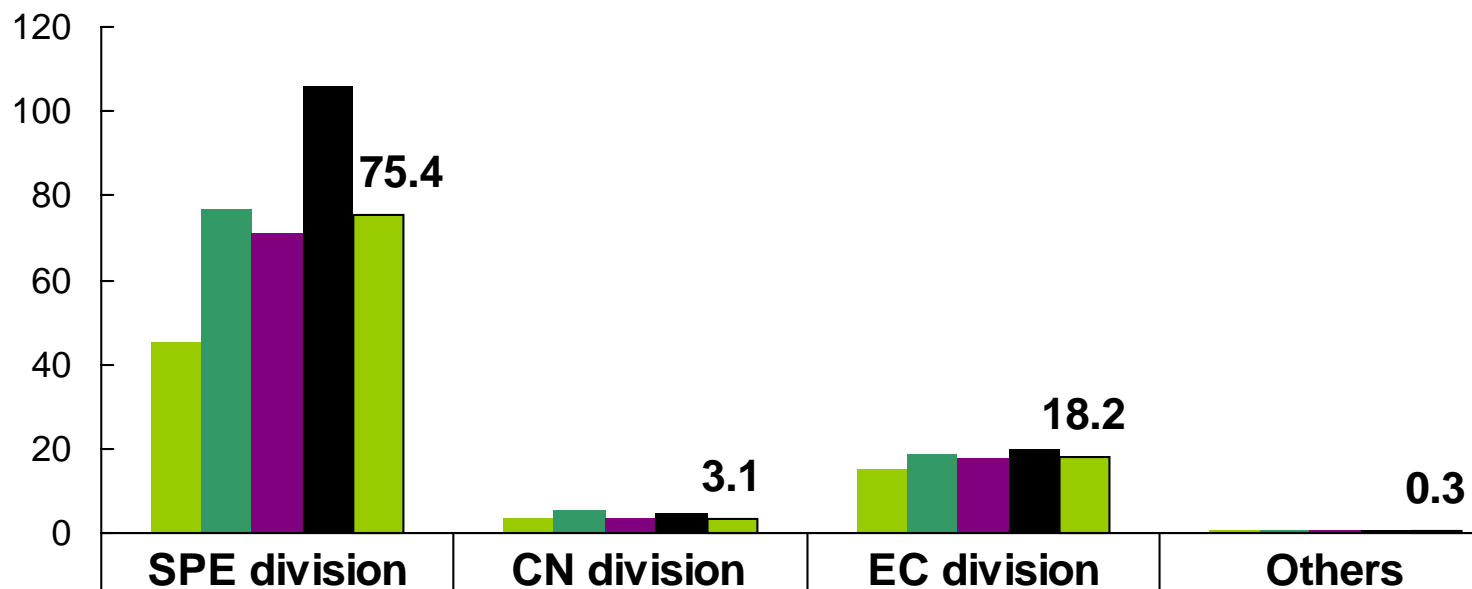
2002/3/31 vs. 2002/12/31

Trade notes & Accounts payable	+8.3 Increase in procurement corresponding to 4Q shipment
Short-term & Long-term debt	-0.9 CP(+20.0), Redemption of SB(-20.0)
Shareholders' equity	-16.5 Increase in treasury stocks (-8.2), Decrease in retained earnings (-4.1), Unrealized loss on securities (-2.0)

3Q FY2003 Financial Summary

Quarterly Net Sales by Division

(Billions of Yen)



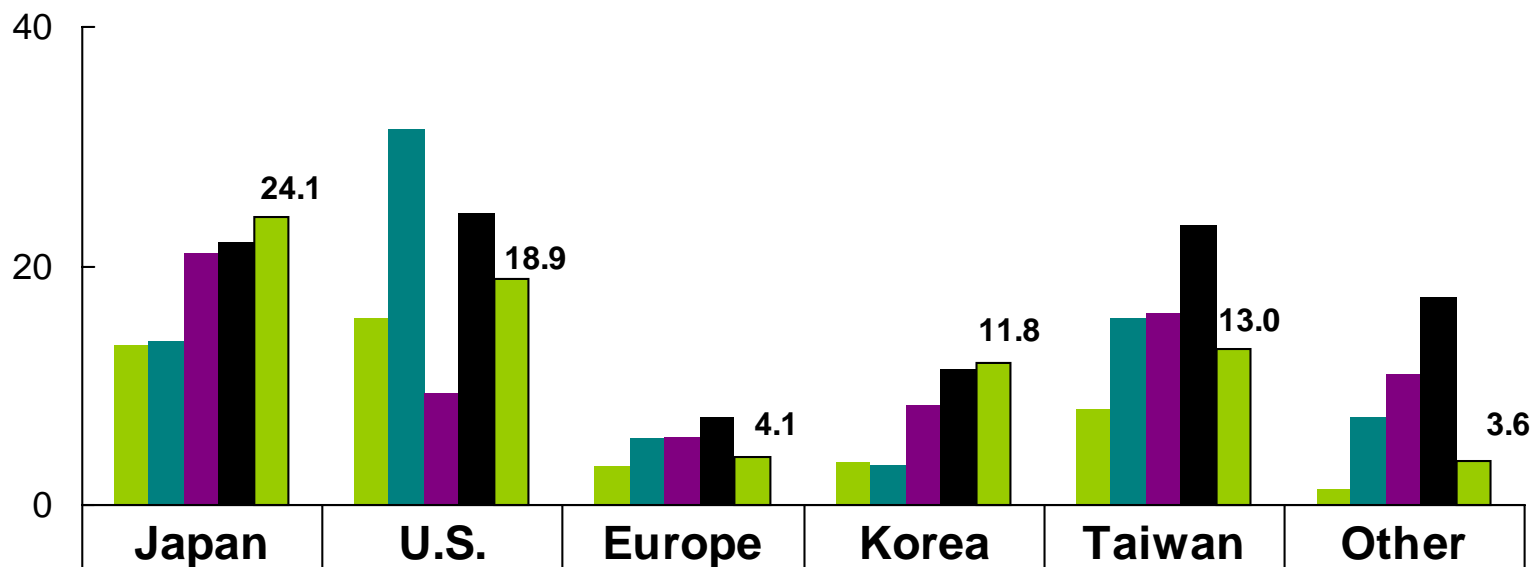
	SPE division	CN division	EC division	Others	Total
3Q	44.9	3.3	15.2	0.3	63.7
4Q	76.9	5.3	18.4	0.3	101.0
1Q/FY03	71.3	3.3	17.4	0.3	92.3
2Q	106.0	4.8	20.0	0.3	131.1
3Q	75.4	3.1	18.2	0.3	97.0



3Q FY2003 Financial Summary

Quarterly SPE Sales by Region

(Billions of Yen)



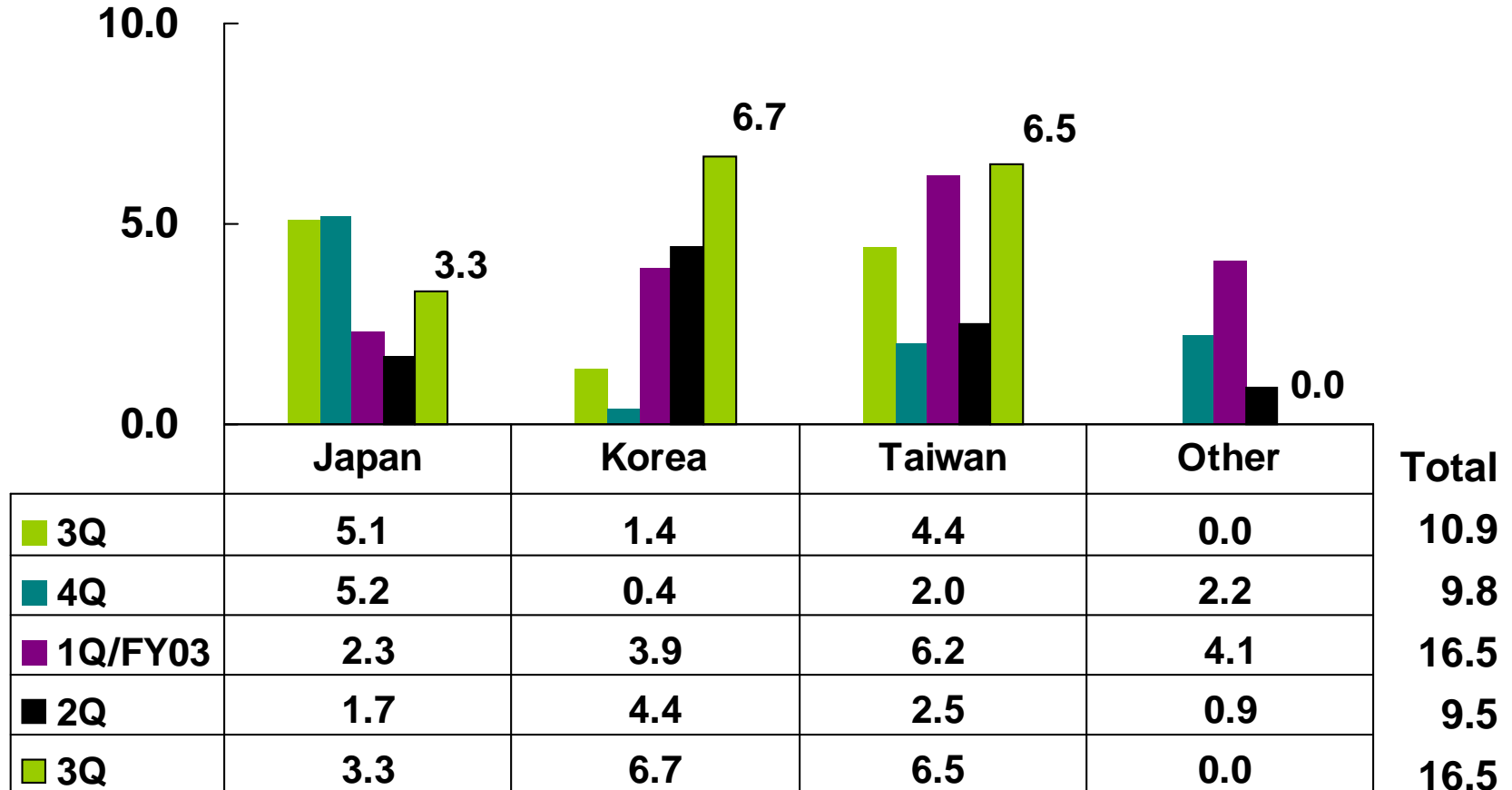
	Japan	U.S.	Europe	Korea	Taiwan	Other	Total
3Q	13.4	15.6	3.1	3.5	8.0	1.4	44.9
4Q	13.7	31.4	5.5	3.3	15.6	7.4	76.9
1Q/FY03	21.1	9.3	5.7	8.4	16.1	10.8	71.3
2Q	21.9	24.4	7.4	11.3	23.5	17.4	106.0
3Q	24.1	18.9	4.1	11.8	13.0	3.6	75.4



3Q FY2003 Financial Summary

Quarterly FPD Production Equipment Sales Non-consolidated Basis

(Billions of Yen)

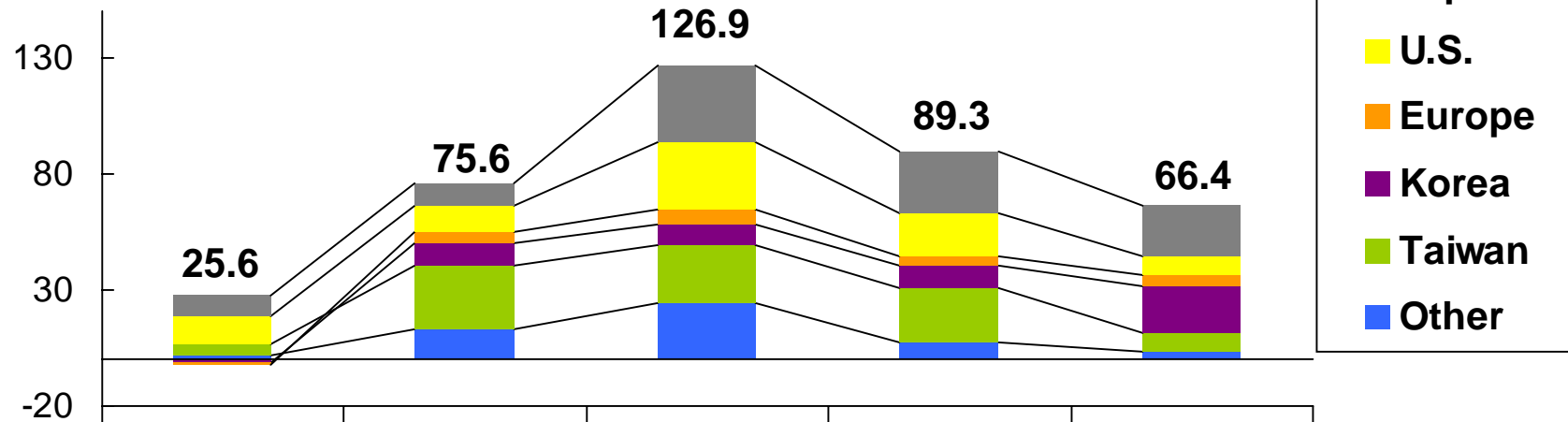


3Q FY2003 Financial Summary

SPE Quarterly Orders by Region

Non-consolidated Basis

(Billions of Yen)



	2001/10-12 3Q	2002/1-3 4Q	2002/4-6 FY03/1Q	2002/7-9 2Q	2002/10-12 3Q
■ Japan	9.1	9.3	33.3	26.3	21.5
■ U.S.	11.6	11.8	29.3	18.3	8.4
■ Europe	-0.3	4.4	6.4	4.4	5.0
■ Korea	-1.7	10.2	9.0	9.8	19.9
■ Taiwan	5.1	27.0	24.2	22.8	8.3
■ Other	1.8	13.1	24.7	7.7	3.2



FY2003 Financial Estimates

(April 1, 2002 – March 31, 2003)



TOKYO ELECTRON

IR/Feb 5, 2003



FY2003 Financial Estimates

Consolidated Financial Forecast

(Estimates are left unchanged from the previous revision)

(Billions of Yen)

	FY2002	FY2003 (E) revised on Nov 8			YOY Change
		1H	2H (E)	Full Year (E)	
Net Sale	417.8	223.4	226.6	450.0	+8%
Operating Income	-18.3	0.5	3.5	4.0	+22.3 bil.yen
Ordinary Income	-19.5	-0.7	2.7	2.0	+21.5 bil.yen
I.B.I.T.	-22.9	-0.7	2.2	1.5	+24.4 bil.yen
Net Income	-19.9	-2.5	3.0	0.5	+20.4 bil.yen

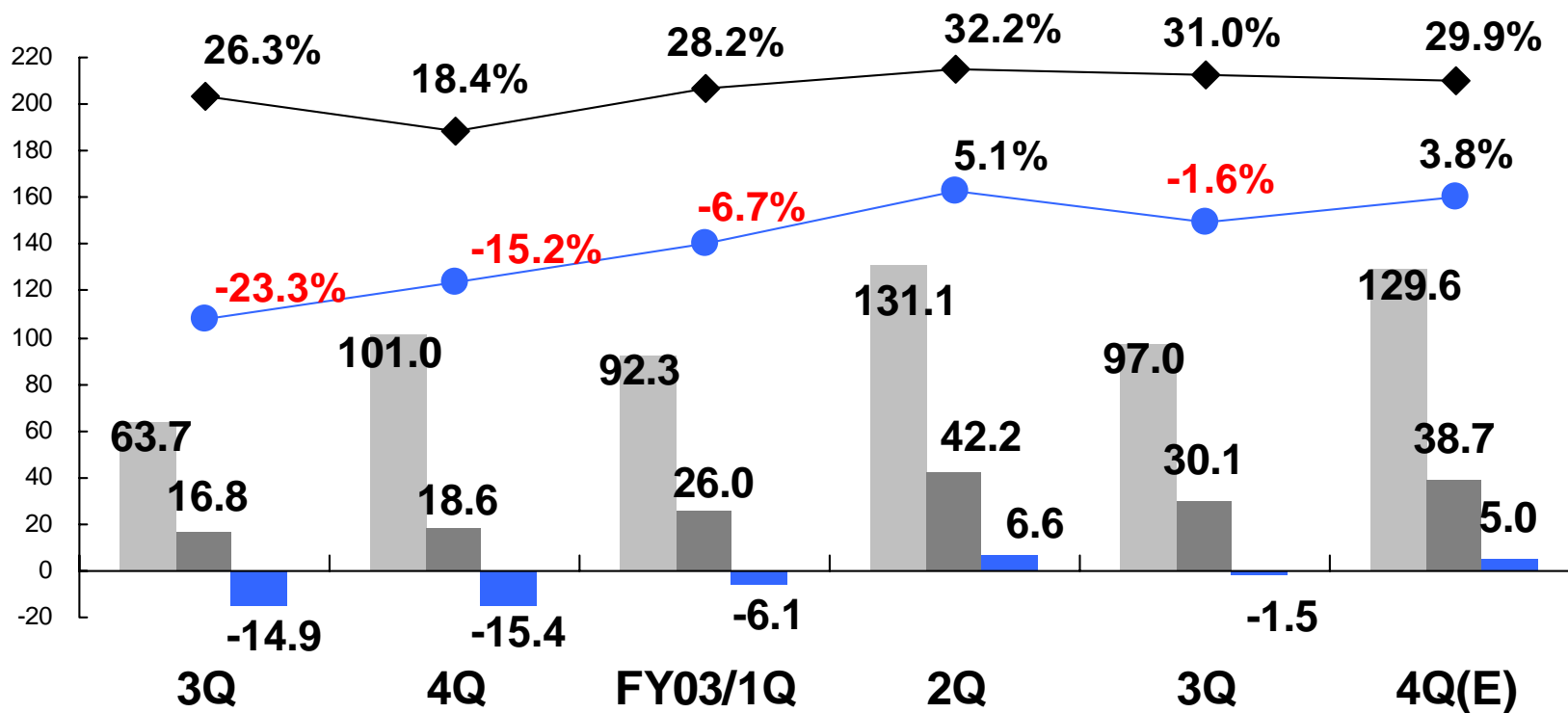
I.B.I.T. = Income Before Income Taxes



FY2003 Financial Estimates

4Q Estimates

(Billions of Yen)



The projections outlined in this presentation were created based on the best information available at the time they were created. The semiconductor production equipment industry is characterized by large and rapid technological change and fierce competition. There are also various factors such as world economic conditions and semiconductor market conditions which directly and indirectly impact the Company's results. As a result, future projections may differ from those in this presentation. The company makes announcements when changes are significant.

