

Tokyo Electron Device Limited
Statement of Income
Years ended March 31, 2002 and 2001

	Thousands of		
	Millions of Yen		U.S.dollars
	2002	2001	2002
Net Sales	¥ 74,629	¥ 92,546	\$ 560,278
Cost of sales	<u>64,995</u>	79,726	<u>487,951</u>
Gross profit	9,634	12,820	72,327
Selling, general and administrative expenses	<u>6,986</u>	8,133	<u>52,447</u>
Operating income	2,648	4,687	19,880
Other income(expenses)			
Interest expenses	(203)	(228)	(1,524)
Foreign currency gain or loss	67	355	503
Infrequent loss*	-	(1,013)	-
Prior-period adjustment of allowance for doubtful accounts	68	-	511
Devaluation of golf memberships	(24)	-	(180)
Other, net	<u>(1)</u>	<u>(15)</u>	<u>(8)</u>
Income before income taxes	2,555	3,786	19,182
Provision for income taxes			
Current	919	2,301	6,899
Deferred	189	(666)	1,420
Net income	<u>1,447</u>	<u>2,151</u>	<u>10,863</u>
Per share of common stock:	Yen	Yen	U.S.dollars
Net income-primary	¥ 90,451	¥ 134,436	\$ 679
Cash dividends paid	<u>9,375</u>	<u>12,500</u>	<u>70</u>

Note: Dollar amounts have been translated, for convenience only, at the rate of ¥133.20 to U.S.\$1.00.

* Difference arising from shift to retirement benefit accounting is amortized on a lump-sum basis as an extraordinary loss in the year ended March 31, 2001.

Tokyo Electron Device Limited
Balance Sheet
 March 31, 2002 and 2001

Assets	Thousands of		
	Millions of Yen		U.S. dollars
	2002	2001	2002
Current assets:			
Cash and time deposits	¥ 269	¥ 2,257	\$ 2,020
Trade notes and accounts receivable	20,380	29,623	153,003
Allowance for doubtful accounts	(58)	(130)	(435)
Inventories	9,640	16,268	72,372
Deferred tax assets	69	349	518
Prepaid expenses and other current assets	89	226	668
Total current assets	30,389	48,593	228,146
Intangible and other assets:			
Software	845	965	6,344
Long-term deposit	1,152	1,710	8,649
Intangible and other assets	117	123	878
Deferred tax assets	666	575	5,000
Total investments and other assets	2,780	3,373	20,871
Property, plant and equipment:			
Buildings	244	218	1,832
Machinery and equipment	289	216	2,170
Total property, plant and equipment	533	434	4,002
Less: accumulated depreciation	247	162	1,855
Net property, plant and equipment	286	272	2,147
Total assets	33,455	52,238	251,164

Note: Dollar amounts have been translated, for convenience only, at the rate of ¥ 133.20 to U.S.\$1.00.

Liabilities and Shareholders' Equity	Thousands of		
	Millions of Yen		U.S. dollars
	2002	2001	2002
Current liabilities:			
Short-term bank loans	¥ 12,680	¥ 24,000	\$ 95,195
Trade notes and accounts payable:	5,927	10,328	44,497
Accrued income taxes	531	1,656	3,986
Allowance for employees' bonuses	160	646	1,201
Other current liabilities	254	152	1,908
Total current liabilities	19,552	36,782	146,787
Long-term debt, less current portion	5,000	8,000	37,538
Allowance for retirement and severance benefits	2,078	1,861	15,601
Allowance for retirement and severance benefits for directors	99	66	743
Other non-current liabilities	146	130	1,096
Total liabilities	7,323	10,057	54,978
Shareholders' equity:			
Common stock	800	800	6,006
Legal reserve	200	50	1,502
Retained earnings	5,580	4,549	41,891
Total shareholders' equity	6,580	5,399	49,399
Total liabilities and shareholders' equity	33,455	52,238	251,164

Tokyo Electron Device Limited
Statement of Cash Flows
Years ended March 31, 2002 and 2001

	Millions of Yen		Thousands of U.S.dollars
	2002	2001	2002
Cash flow from operating activities:			
Income before income taxes	¥ 2,555	¥ 3,786	\$ 19,182
Depreciation and amortization	442	401	3,318
Increase in allowance for retirement and severance benefits	249	1,215	1,869
Increase(decrease) in allowance for employees' bonuses	(486)	219	(3,649)
Interest expenses	203	228	1,524
Loss on disposal of fixed assets	11	54	83
Increase(decrease) in trade notes and accounts receivable	8,717	(9,219)	65,443
Increase(decrease) in inventories	6,628	(6,883)	49,760
Increase(decrease) in accounts payable	(3,984)	2,057	(29,910)
Increase(decrease) in deposit for guarantee	600	(1,609)	4,505
Others	196	228	1,471
Subtotal	15,131	(9,523)	113,596
Receipts from interest and dividends	5	3	38
Interest paid	(205)	(230)	(1,539)
Income taxes paid	(2,044)	(1,397)	(15,345)
Net cash provided by(used by)operating activities	12,887	(11,147)	96,749
Cash flow from investing activities:			
Payment for purchase of property,plant and equipment	(126)	(237)	(946)
Payment for acquisition of intangible assets	(242)	(114)	(1,817)
Others	(63)	(30)	(473)
Net cash used in investing activities	(431)	(381)	(3,236)
Cash flow from financing activities:			
Increase(decrease) in short-term borrowings	(14,320)	8,470	(107,508)
Proceeds from long-term debt	-	5,000	-
Dividends paid	(200)	(150)	(1,502)
Net cash provided by financing activities	(14,520)	13,320	(109,010)
Effect of exchange rate changes on cash and cash equivalents	76	26	571
Net increase(decrease)in cash and cash equivalents	(1,988)	1,818	(14,926)
Cash and cash equivalents at beginning of year	2,257	439	16,944
Cash and cash equivalents at end of year	269	2,257	2,018

Note: Dollar amounts have been translated, for convenience only, at the rate of ¥133.20 to U.S.\$1.00.