CONSOLIDATED BALANCE SHEETS

(In millions, except share amounts)

ASSETS:

	March 31, 2001	September 30, 2000
Current assets:		
Cash and cash equivalents	$2,138	$1,191
Short-term investments	2,006	2,836
Accounts receivable, less allowances of $54 and $64, respectively	637	953
Inventories	10	33
Deferred tax assets	183	162
Other current assets	371	252
Total current assets	5,345	5,427
Property, plant, and equipment, net	331	313
Non-current equity investments	151	786
Other assets	303	277
Total assets	$6,130	$6,803

LIABILITIES AND SHAREHOLDERS' EQUITY:

	March 31, 2001	September 30, 2000
Current liabilities:		
Accounts payable	$ 961	$ 1,157
Accrued expenses	834	776
Total current liabilities	1,795	1,933
Long-term liabilities	317	300
Deferred tax liabilities	280	463
Total liabilities	2,392	2,696
Commitments and contingencies		
Shareholders' equity:		
Series A non-voting convertible preferred stock, no par value; 150,000 shares authorized, none and 75,750 issued and outstanding, respectively	0	76
Common stock, no par value; 900,000,000 shares authorized; 346,540,962 and 335,676,889 shares issued and outstanding, respectively	1,599	1,502
Retained earnings	2,133	2,285
Accumulated other comprehensive income	6	244
Total shareholders' equity	3,738	4,107
Total liabilities and shareholders' equity	$6,130	$6,803

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except share and per share amounts)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	March 31, 2001	April 1, 2000	March 31, 2001	April 1, 2000
Net sales	$1,431	$1,945	$2,438	$4,288
Cost of sales	1,046	1,396	2,074	3,132
Gross margin	385	549	364	1,156
Operating expenses:				
Research and development	101	92	203	182
Selling, general, and administrative	292	287	589	606
Special Charges:				
Restructuring costs	0	0	0	8
Executive Bonus	0	0	0	90
Total operating expenses	393	379	792	886
Operating income (loss)	(8)	170	(428)	270
Gains from sales of investments, net	5	100	76	234
Unrealized loss on convertible securities	0	0	(13)	0
Interest and other income (expense), net	65	49	132	89
Total interest and other income (expense), net	70	149	195	323
Income(loss) before provision for (benefit from) income taxes	62	319	(233)	593
Provision for (benefit from) income taxes	19	86	(69)	177
Income (loss) before accounting change	43	233	(164)	416
Cumulative effect of accounting change, net of income taxes of $5	0	0	12	0
Net income (loss)	$ 43	$ 233	$ (152)	$ 416
Earnings (loss) per common share before accounting change:				
Basic	$0.12	$0.72	$ (0.48)	$ 1.29
Diluted	$0.12	$0.64	$ (0.48)	$ 1.16
Earnings (loss) per common share after accounting change:				
Basic	$0.12	$0.72	$ (0.44)	$ 1.29
Diluted	$0.12	$0.64	$ (0.44)	$ 1.16
Shares used in computing earnings (loss) per share (in thousands):				
Basic	346,080	324,343	342,179	323,194
Diluted	352,812	363,986	342,179	359,252