CONSOLIDATED BALANCE SHEETS

(In millions, except share amounts)

ASSETS:

	June 30, 2001	September 30, 2000
Current assets:		
Cash and cash equivalents	$2,121	$1,191
Short-term investments	2,097	2,836
Accounts receivable, less allowances of $52 and $64, respectively	598	953
Inventories	19	33
Deferred tax assets	173	162
Other current assets	240	252
Total current assets	5,248	5,427
Property, plant, and equipment, net	347	313
Non-current equity investments	146	786
Other assets	330	277
Total assets	$6,071	$6,803

LIABILITIES AND SHAREHOLDERS' EQUITY:

	June 30, 2001	September 30, 2000
Current liabilities:		
Accounts payable	$ 847	$ 1,157
Accrued expenses	767	776
Total current liabilities	1,614	1,933
Long-term liabilities	317	300
Deferred tax liabilities	282	463
Total liabilities	2,213	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; 350,474,089 and 335,676,889 shares issued and outstanding, respectively	1,673	1,502
Acquisition-related unearned stock compensation	(12)	0
Retained earnings	2,194	2,285
Accumulated other comprehensive income	3	244
Total shareholders' equity	3,858	4,107
Total liabilities and shareholders' equity	$ 6,071	$6,803

CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except share and per share amounts)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	June 30, 2001	July 1, 2000	June 30, 2001	July 1, 2000
Net sales	$1,475	$1,825	$3,913	$6,113
Cost of sales	1,041	1,282	3,115	4,414
Gross margin	434	543	798	1,699
Operating expenses:				
Research and development	111	97	314	279
Selling, general, and administrative	281	278	870	884
Special Charges:				
Purchased in-process research and development	11	0	11	0
Restructuring costs	0	0	0	8
Executive Bonus	0	0	0	90
Total operating expenses	403	375	1,195	1,261
Operating income (loss)	31	168	(397)	438
Gains from sales of investments, net	11	50	87	284
Unrealized loss on convertible securities	0	0	(13)	0
Interest and other income (expense), net	45	52	177	141
Total interest and other income (expense), net	56	102	251	425
Income (loss) before provision for (benefit from) income taxes	87	270	(146)	863
Provision for (benefit from) income taxes	26	70	(43)	247
Income (loss) before accounting change	61	200	(103)	616
Cumulative effect of accounting change, net of income taxes of $5	0	0	12	0
Net income (loss)	$ 61	$ 200	$ (91)	$ 616
Earnings (loss) per common share before accounting change:				
Basic	$0.17	$0.62	$ (0.30)	$ 1.90
Diluted	$0.17	$0.55	$ (0.30)	$ 1.71
Earnings (loss) per common share after accounting change:				
Basic	$0.17	$0.62	$ (0.26)	$ 1.90
Diluted	$0.17	$0.55	$ (0.26)	$ 1.71
Shares used in computing earnings (loss) per share (in thousands):				
Basic	348,765	325,040	343,877	323,770
Diluted	358,912	361,817	343,877	359,928