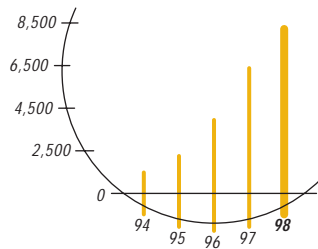




Financial Highlights

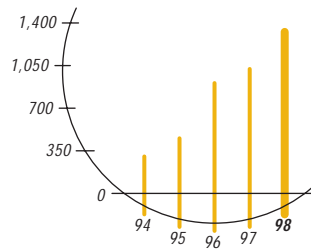
Net Sales

(dollars in millions)



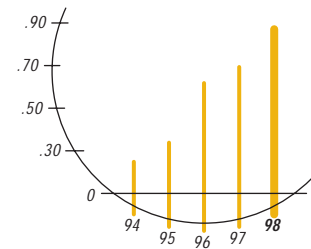
Net Income

(dollars in millions)



Diluted Earnings per Share

(in dollars)



Consolidated Statements of Operations Data

(in thousands, except per-share amounts)

Years Ended	July 25, 1998	July 26, 1997	July 28, 1996
Net sales	\$8,458,777	\$6,440,171	\$4,096,007
Income before provision for income taxes	\$2,302,466	\$1,888,872	\$1,464,825
Net income	\$1,350,072⁽¹⁾	\$1,048,679 ⁽²⁾	\$ 913,324
Net income per common share (diluted)*	\$ 0.84⁽¹⁾	\$ 0.68 ⁽²⁾	\$ 0.61
Shares used in per-share calculation (diluted)*	1,608,173	1,551,039	1,490,078

⁽¹⁾ Net income and net income per share include purchased research and development expenses of \$594 million and realized gains on the sale of a minority stock investment of \$5 million. Pro forma net income and diluted net income per share, excluding these nonrecurring items net of tax, would have been \$1,878,988 and \$1.17, respectively.

⁽²⁾ Net income and net income per share include purchased research and development expenses of \$508 million and realized gains on the sale of a minority stock investment of \$153 million. Pro forma net income and diluted net income per share, excluding these nonrecurring items net of tax, would have been \$1,413,893 and \$0.91, respectively.

* Reflects the three-for-two stock split effective September 1998.

Consolidated Balance Sheets Data

(in thousands)

	July 25, 1998	July 26, 1997	July 28, 1996
Working capital	\$1,994,944	\$1,981,157	\$1,390,287
Total assets	\$8,916,705	\$5,451,984	\$3,630,232
Shareholders' equity	\$7,106,618	\$4,289,622	\$2,819,622