

**FY2010 First Quarter**  
**Consolidated Business Results**

**Fumio Muraoka**  
Representative Executive Officer and  
Corporate Senior Executive Vice President  
**TOSHIBA CORPORATION**

**July 29, 2010**

# Forward-looking Statements

---

- This presentation contains forward-looking statements concerning Toshiba's future plans, strategies and performance.
- These forward-looking statements are not historical facts, rather they represent assumptions and beliefs based on economic, financial and competitive data currently available.
- Furthermore, they are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations and other factors. Toshiba therefore, wishes to caution that actual results may differ materially from our expectations.
- Toshiba's fiscal year runs from April 1 to March 31.
- All figures are consolidated totals for the first 3 months of fiscal year 2010, unless otherwise indicated.
- The company changed the structure of its internal organization at the beginning of FY2010. Prior-period data relating to the consolidated segment information has been reclassified to conform with the current classification.

# Key Points of FY2010 1Q

- **Net sales increased YoY\*, continuing upward trend since second half of FY2009**
  - **Net Sales** 1,469.2 billion yen (YoY: +129.5 billion yen, +9.7%)
- **Returned to profit on highest ever first quarter operating income; income before income taxes and noncontrolling interests and net income improved significantly YoY.**
  - **Operating income** 29.5 billion yen (YoY: +67.1 billion yen)
  - **Income before income taxes and noncontrolling interests** 5.9 billion yen (YoY: +68.0 billion yen)
  - **Net income** 0.5 billion yen (YoY: +58.3 billion yen)
    - Major improvement in Electronic Devices contributed significantly, Digital Products and Home Appliances also improved YoY
- **Free cash flow remained positive, interest-bearing debt was reduced significantly**
  - **Free cash flow** 28.2 billion yen (YoY: -30.6 billion yen)
  - **Interest-bearing debt** 1,160.5 billion yen (YoY: -271.6 billion yen)

\* YoY: year-on-year comparison

# FY2010 1Q, year-on-year

(¥ billions, except earnings (losses) per share)

	FY10/1Q	FY09/1Q	Difference
			vs. FY09/1Q
Net sales	1,469.2	1,339.7	129.5
Operating income (loss)	29.5	-37.6	67.1
%	2.0%	-2.8%	
Income (loss) from continuing operations, before income taxes and noncontrolling interests	5.9	-62.1	68.0
%	0.4%	-4.6%	
Net income (loss)*	0.5	-57.8	58.3
%	0.0%	-4.3%	
Earnings (losses) per share attributable to shareholders of the Company**	¥0.11	¥-16.58	¥16.69

\* "Net income (loss)" refers to Net income (loss) attributable to shareholders of the Company hereinafter.

\*\* "the Company" refers to Toshiba Corporation hereinafter.

# FY2010 1Q by Segment, year-on-year

(¥ billions)

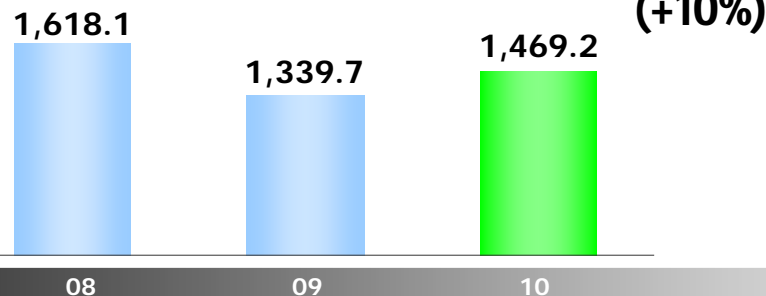
Net Sales	FY10/1Q	FY09/1Q	Difference
			vs. FY09/1Q
Digital Products	<b>599.6</b>	490.7	108.9
Electronic Devices	<b>332.0</b>	272.2	59.8
Social Infrastructure	<b>435.4</b>	467.2	-31.8
Home Appliances	<b>138.5</b>	136.1	2.4
Others	<b>86.4</b>	73.5	12.9
Total	<b>1,469.2</b>	1,339.7	129.5

Operating Income (Loss)	FY10/1Q	FY09/1Q	Difference
			vs. FY09/1Q
Digital Products	<b>6.5</b> 1.1%	4.8 1.0%	1.7 0.1%
Electronic Devices	<b>27.0</b> 8.1%	-41.9 -15.4%	68.9 23.5%
Social Infrastructure	<b>-1.1</b> -0.3%	6.5 1.4%	-7.6 -1.7%
Home Appliances	<b>-1.2</b> -0.9%	-4.6 -3.4%	3.4 2.5%
Others	<b>-2.2</b> -2.5%	-2.4 -3.3%	0.2 0.8%
Total	<b>29.5</b> 2.0%	-37.6 -2.8%	67.1 4.8%

# Overview, FY2010 1Q Results

(¥ billions)

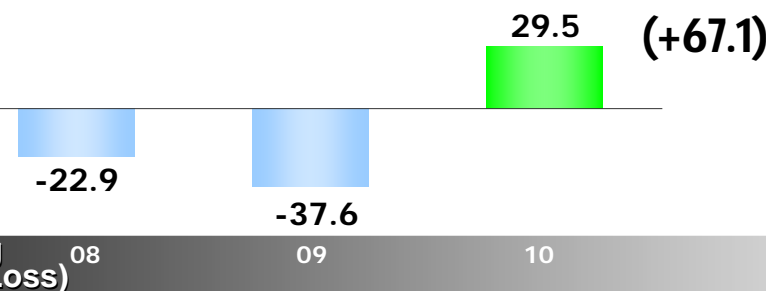
[ ] = Year-on-year comparison



## Net Sales: Increased sales

Increased net sales in Digital Products, Electronic Devices and Home Appliances

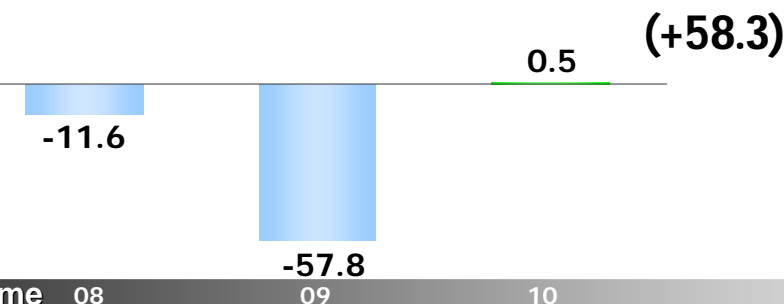
Net Sales 08 09 10



## Operating Income (loss): Moved into profit

Mainly on improvements in Electronic Devices; Digital Products and Home Appliances also improved

Operating Income (Loss) 08 09 10



## Net income (loss): Return to profit

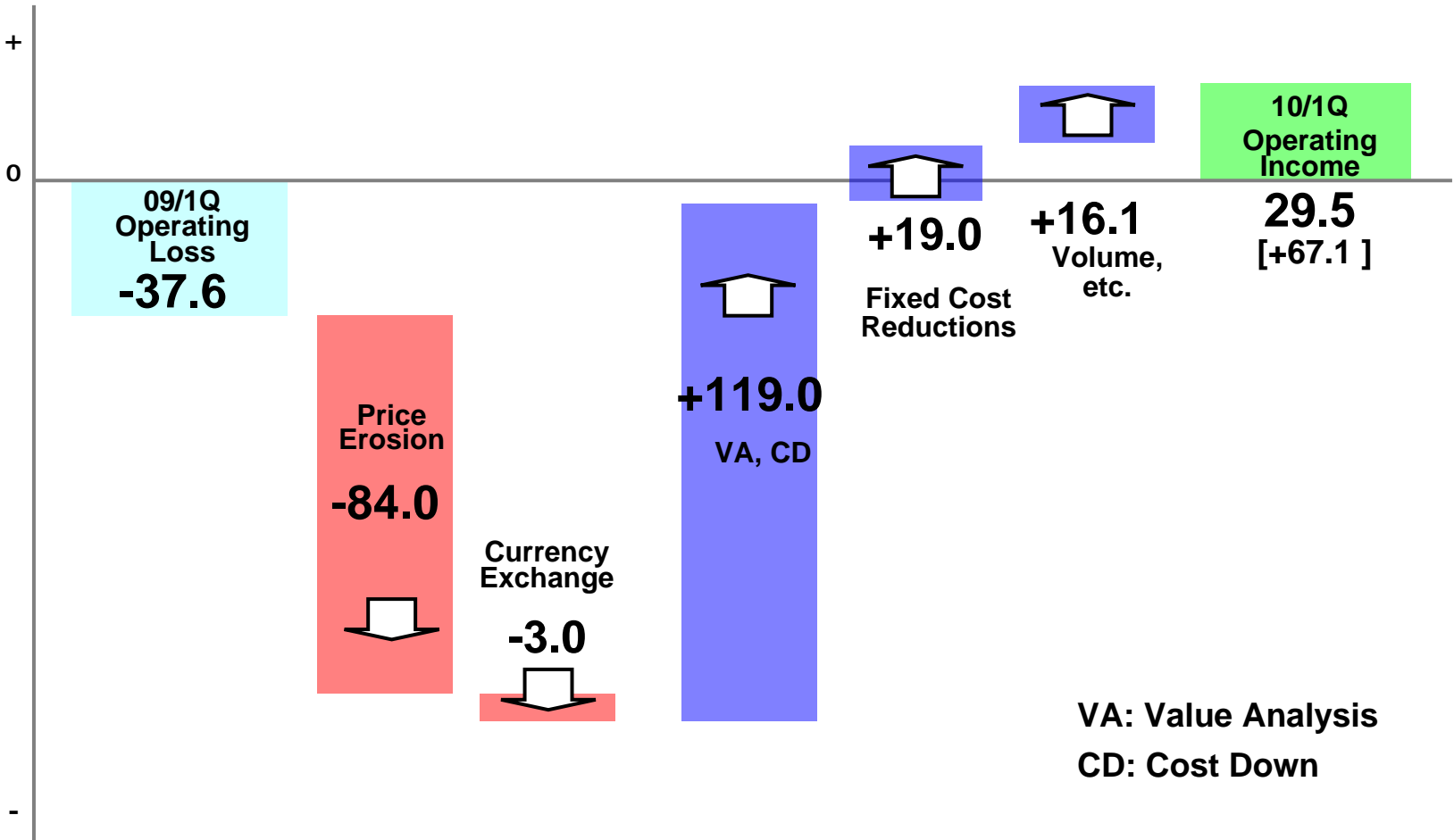
Net income (loss) returned to profit as both operating income and income before income taxes and noncontrolling interests improved significantly.

Net Income (Loss) 08 09 10

# Operating Income (Loss) Analysis, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison

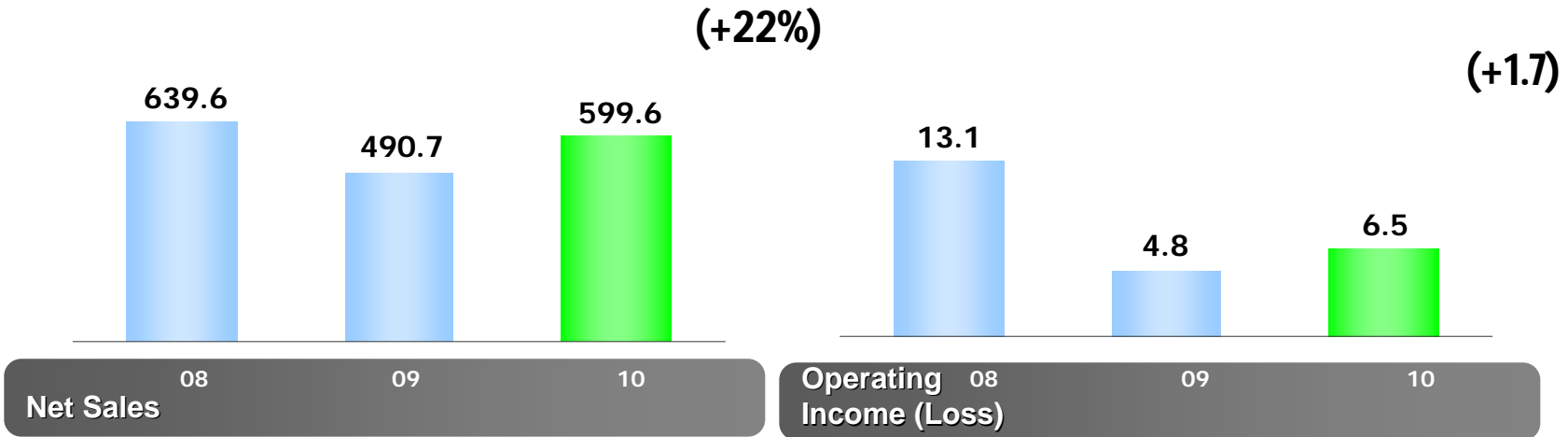


VA: Value Analysis  
CD: Cost Down

# Digital Products, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



■ Overall net sales increased, TVs, Storage Devices and PCs etc., were buoyant, though net sales fell in Mobile Phones.

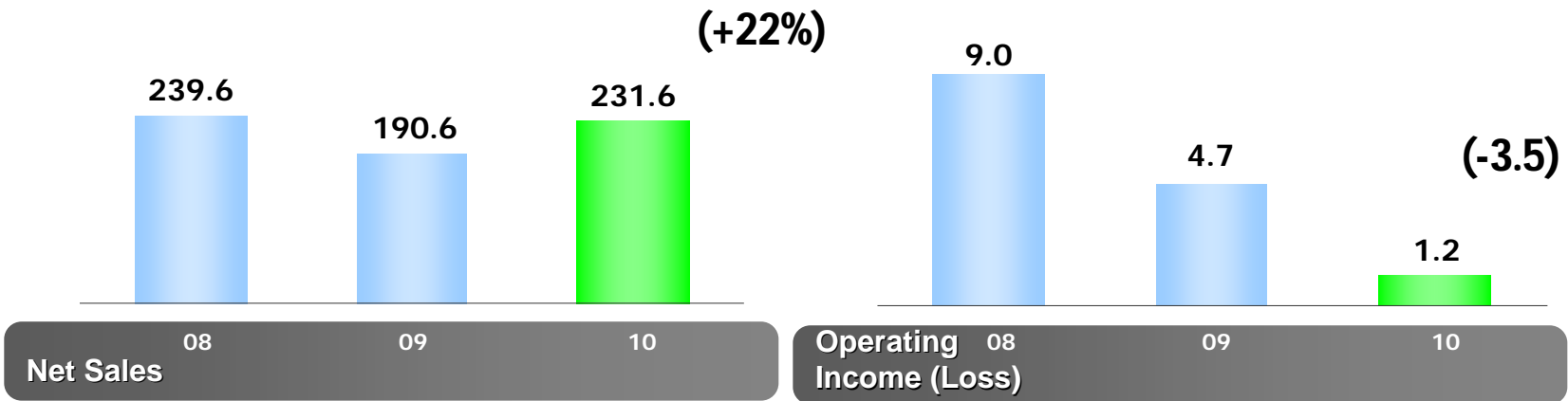
■ Overall operating income increased on good performance in TVs and Storage Devices.



# PC Business, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



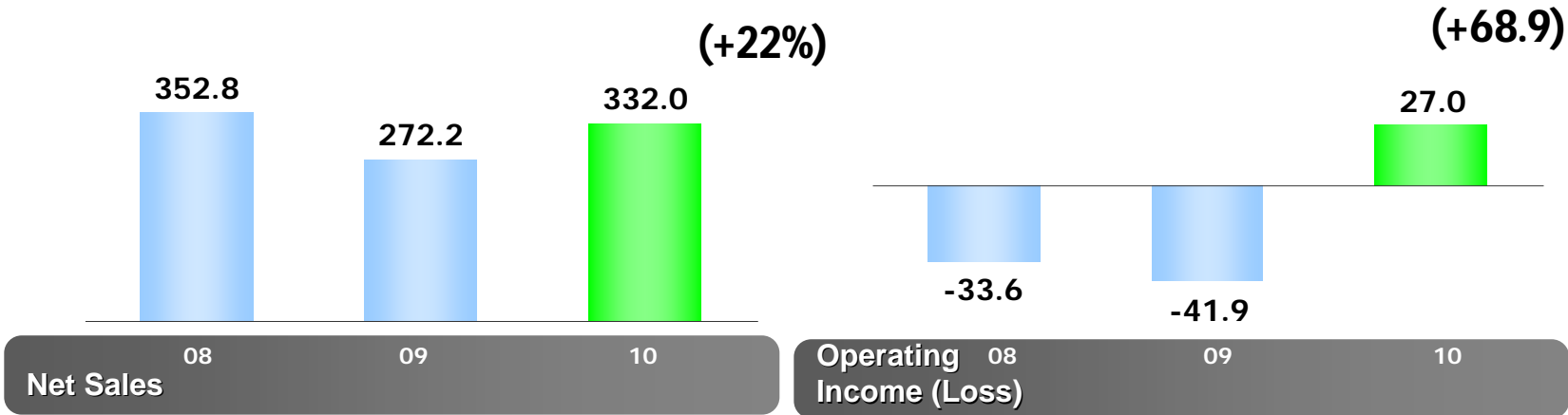
■ Increased net sales in all areas, most notably Europe and North America

■ Operating income decreased on a weak euro and high prices of materials, etc.

# Electronic Devices, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



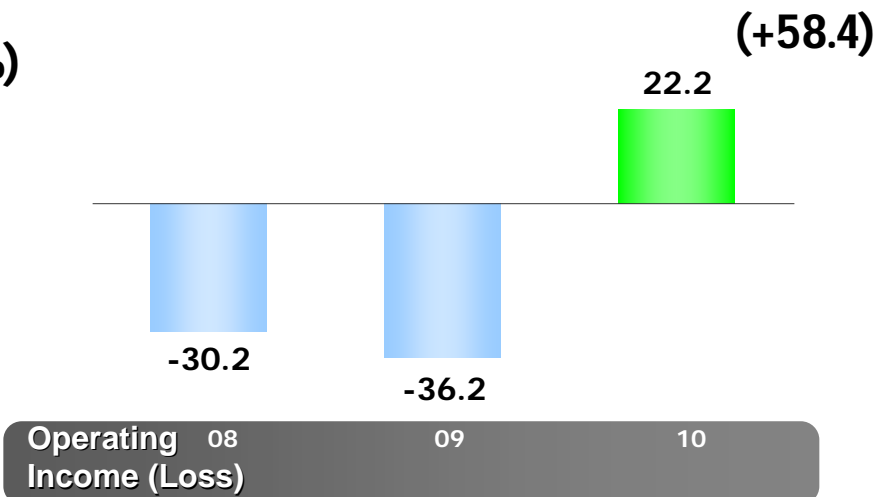
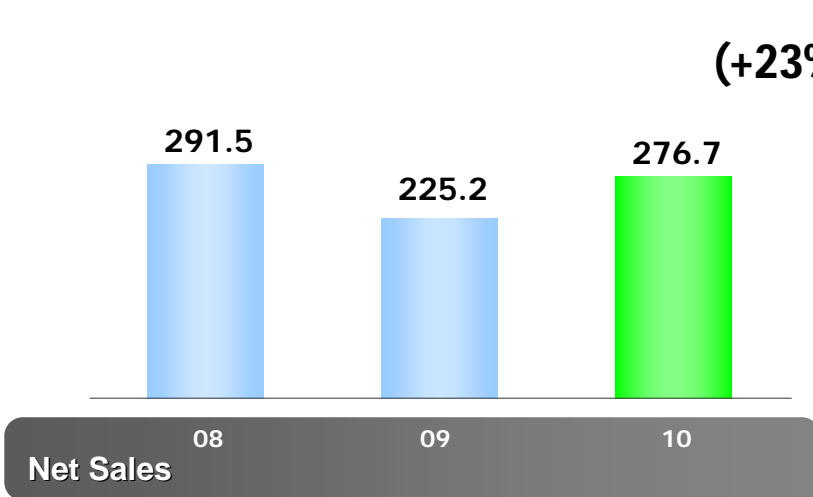
■ The Semiconductor business saw Memories improve. The LCD business made progress on mobile applications and increased net sales overall.

■ The segment moved into profit as operating income (loss) increased on recovery in demand for Semiconductors and LCDs, and effective cost cutting.

# Semiconductor Business, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



■ **Memories saw significant sales rise on a demand increase and price stabilization in NAND flash memories; Discretes and System LSI also saw higher net sales.**

■ **Net income (loss) moved into profit due to price stabilization in NAND flash memories and effective cost cutting.**

# Semiconductor Business Results Breakdown

(¥ billions)

Net Sales	FY10/1Q	FY09/1Q	Difference
Discrete	50.8	40.9	9.9
System LSI	80.6	70.4	10.2
Memory	145.3	113.9	31.4
Semiconductor Total	276.7	225.2	51.5

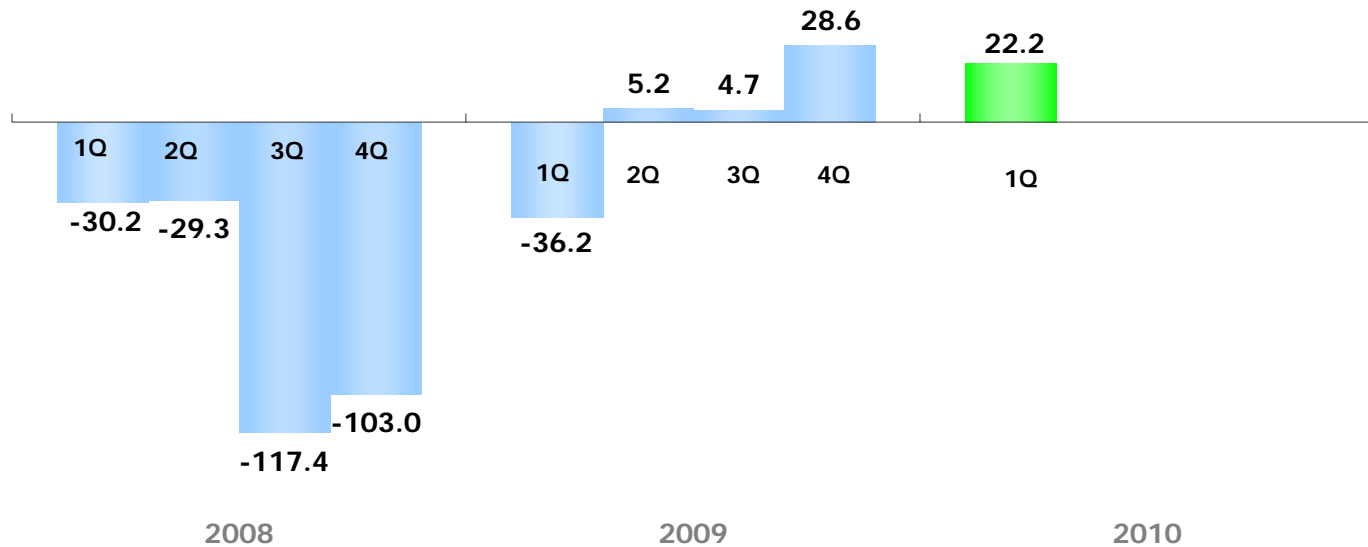
  

Operating Income (Loss)	FY10/1Q	FY09/1Q	Difference
Semiconductor Total	22.2	-36.2	58.4
%	8.0%	-16.1%	24.1%

# Semiconductor Business

## Quarterly Trend in Operating Income (Loss)

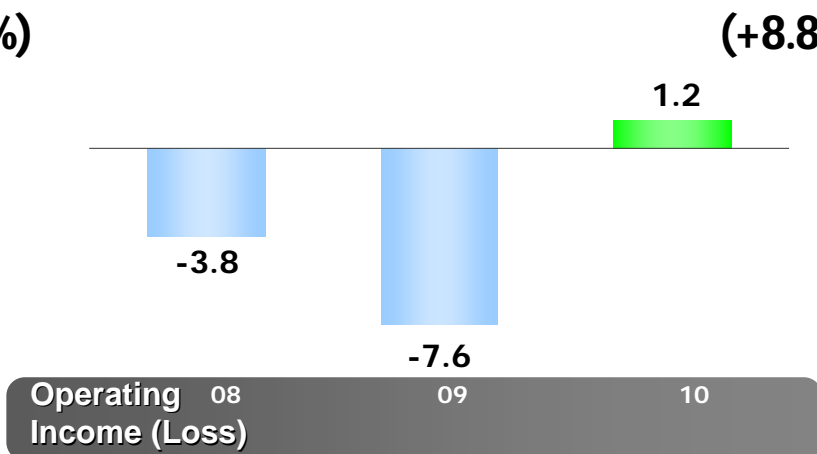
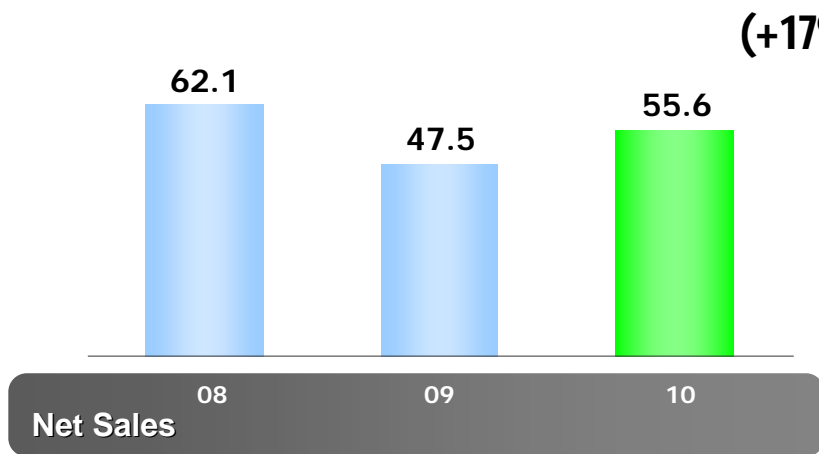
(¥ billions)



# LCD Business, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



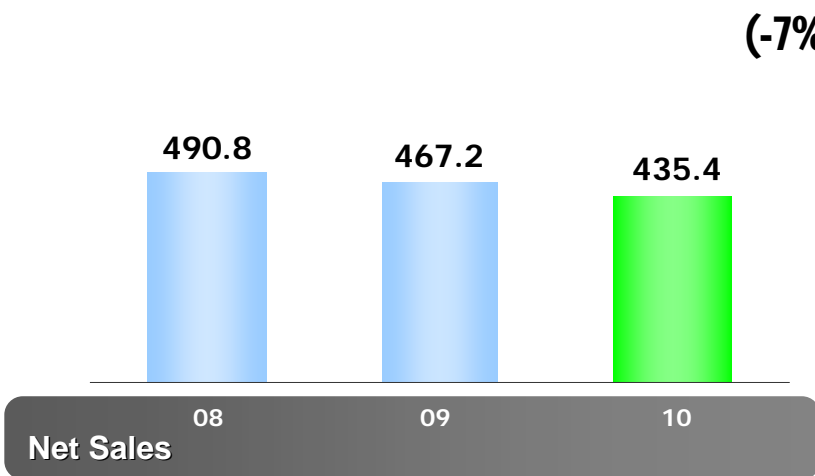
■ Net sales increased as demand for mobile phones and automobiles significantly increased.

■ Moved into profit on increased demand and cost cutting, etc.

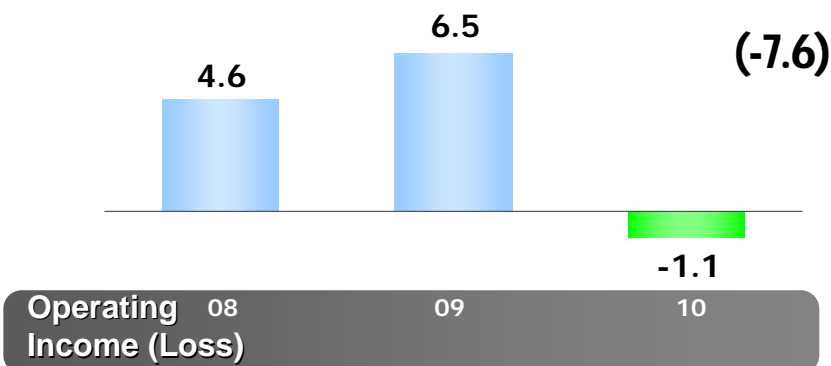
# Social Infrastructure, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



■ Net sales were lower, as the Power Systems & Industrial Systems, Solutions, etc., felt the impact of recession, despite higher sales in the Nuclear Power business.

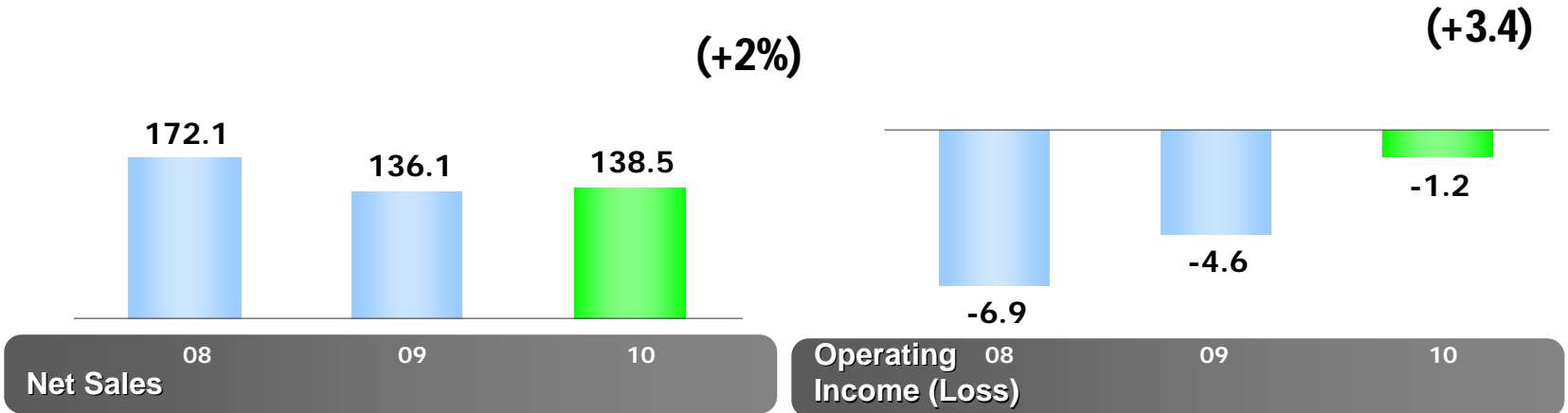


■ Lower operating income (loss) due to decreased sales of Power Systems & Industrial Systems, Solutions, etc.

# Home Appliances, FY2010 1Q

(¥ billions)

[ ] = Year-on-year comparison



■ White Goods was buoyant due to the continuing effect of the eco-point system in Japan etc.

■ Deficit lessened overall as operating loss improved in White Goods and Industrial Lighting due to effective cost cutting.



# Non-Operating Income (Loss) and Expenses

(¥ billions)

	FY10/1Q	FY09/1Q	Difference
			vs. FY09/1Q
Loss on sales of fixed assets	-0.5	-9.3	8.8
Equity in earnings of affiliates	1.1	4.4	-3.3
Foreign exchange loss	-7.9	-0.1	-7.8
Net financial loss	-6.1	-6.3	0.2
Others	-10.2	-13.2	3.0
<b>Total</b>	<b>-23.6</b>	<b>-24.5</b>	<b>0.9</b>

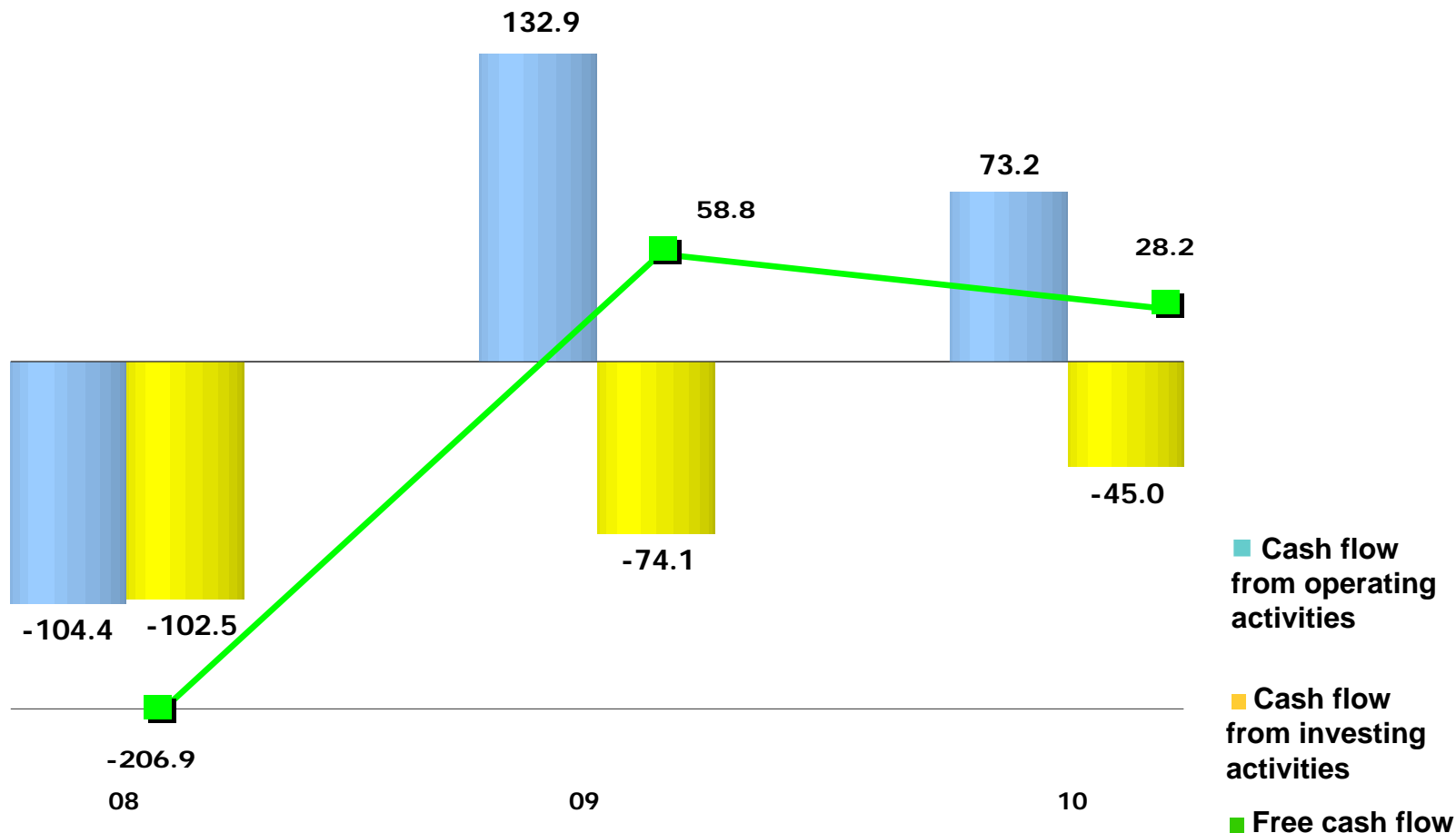
# Income Tax and Net Income (Loss) Attributable to Noncontrolling Interests

(¥ billions)

	FY10/1Q	FY09/1Q	Difference
			vs. FY09/1Q
Income (loss) from continuing operations, before income taxes and noncontrolling interests	5.9	-62.1	68.0
Income tax	-2.4	7.4	-9.8
Income (loss) from discontinued operations, before noncontrolling interests	0.0	-0.1	0.1
Net income (loss) attributable to noncontrolling interests	-3.0	-3.0	0.0
Net income (loss)	0.5	-57.8	58.3

# Cash Flows, FY2010 1Q

(¥ billions)



■ Cash flow from operating activities

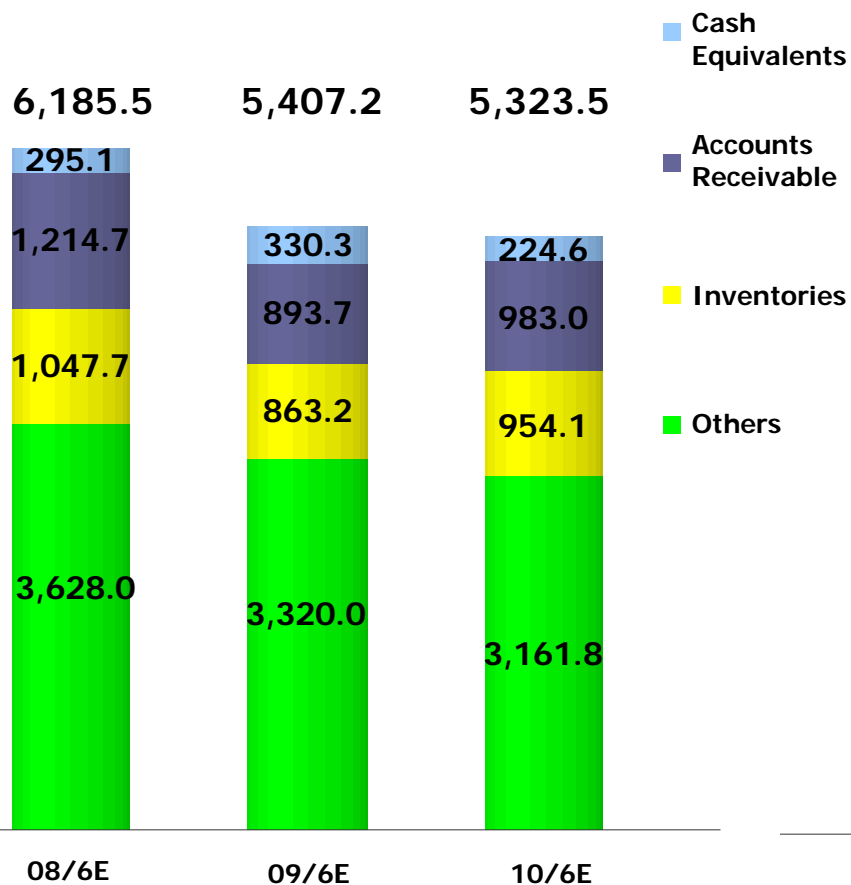
■ Cash flow from investing activities

■ Free cash flow

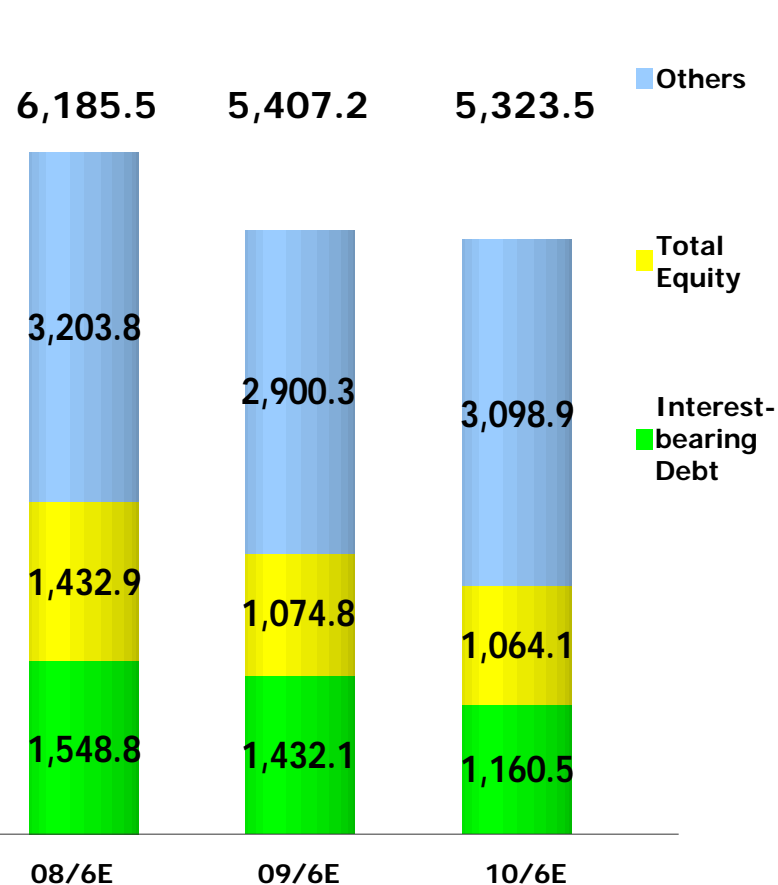
# Consolidated Balance Sheets

(¥ billions)

## Assets



## Liabilities and Equity



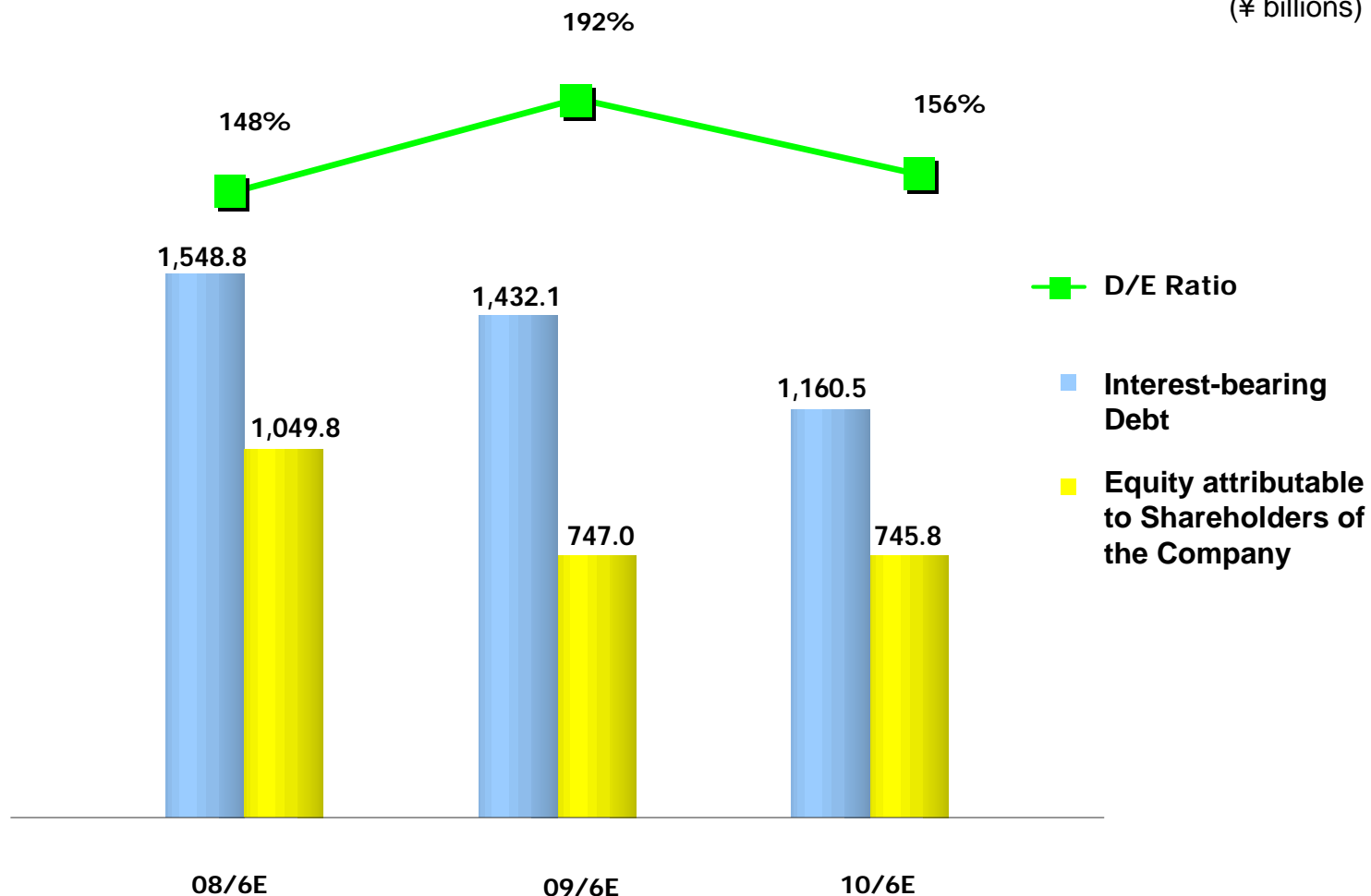
# Equity Attributable to Shareholders of the Company

(¥ billions)

	10/6E	10/3E	09/6E	Difference	
				vs. 10/3E	vs.09/6E
Common Stock	<b>439.9</b>	439.9	439.9	0.0	0.0
Additional paid-in capital	<b>400.8</b>	447.7	447.4	-46.9	-46.6
Retained earnings	<b>422.6</b>	375.4	337.3	47.2	85.3
Accumulated other comprehensive loss	<b>-516.2</b>	-464.3	-476.4	-51.9	-39.8
Treasury stock	<b>-1.3</b>	-1.3	-1.2	0.0	-0.1
Equity attributable to shareholders of the Company	<b>745.8</b>	797.4	747.0	-51.6	-1.2
Equity attributable to shareholders of the Company / Total asset ratio	<b>14.0%</b>	14.6%	13.8%	-0.6%	0.2%

# DE Ratio

(¥ billions)



# FY2010 Forecast, Overall

(¥ billions)

	FY2010	FY2009	Difference
			vs. FY2009
Net sales	7,000.0	6,381.6	618.4
Operating income (loss) %	250.0 3.6%	117.2 1.8%	132.8
Income (loss) from continuing operations, before noncontrolling interests %	150.0 2.1%	25.0 0.4%	125.0
Net income (loss) %	70.0 1.0%	-19.7 -0.3%	89.7

No changes have been made to the FY2010 Forecast released on May 7<sup>th</sup>, 2010.

# FY2010 Forecast by Segment

(¥ billions)

Net sales	FY2010	FY2009	Difference
			vs. FY2009
Digital Products	2,630.0	2,353.6	276.4
Electronic Devices	1,380.0	1,270.0	110.0
Social Infrastructure	2,560.0	2,319.0	241.0
Home Appliances	600.0	579.8	20.2
Others	370.0	345.6	24.4
Total	7,000.0	6,381.6	618.4

Operating Income (Loss)	FY2010	FY2009	Difference
			vs. FY2009
Digital Products	30.0	13.2	16.8
%	1.1%	0.6%	0.5%
Electronic Devices	90.0	-20.4	110.4
%	6.5%	-1.6%	8.1%
Social Infrastructure	150.0	137.2	12.8
%	5.9%	5.9%	0.0%
Home Appliances	3.0	-5.4	8.4
%	0.5%	-0.9%	1.4%
Others	-18.0	-7.7	-10.3
%	-4.9%	-2.2%	-2.7%
Total	250.0	117.2	132.8
%	3.6%	1.8%	1.8%

No changes have been made to the FY2010 Forecast released on May 7<sup>th</sup>, 2010.



---

# **TOSHIBA**

## **Leading Innovation >>>**