

**FY2010 First Six Months  
and the Second Quarter  
Consolidated Business Results**

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**November 9, 2010**

# Forward-looking Statements

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- 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 6 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.
- \* The Mobile Phone business is classified as discontinued in the consolidated accounts, in accordance with ASC No. 205-20, "Presentation of Financial Statements - Discontinued Operations". Its results are not incorporated into net sales, operating income (loss) or income (loss) from continuing operations, before income taxes and noncontrolling interests in the consolidated results. Prior-period data relating to the discontinued operations has been reclassified to conform with the current classification accordingly.**

# Key Points of First 6 Months of FY2010

- **Net sales have continued to be healthy since the second half of FY2009.**
  - **Net Sales** 3,081.1 billion yen (YoY\*: +184.4 billion yen, +6.4%)
    - Semiconductors, PCs and LCD TVs were buoyant
- **All four segments - Digital Products, Electronic Devices, Social Infrastructure and Home Appliances - saw positive operating income.**
  - **Operating Income:** 104.8 billion yen (YoY: +102.7 billion yen)
  - **Income before income taxes and noncontrolling interests:** 68.7 billion yen (YoY: +116.1 billion yen)
  - **Net income:** 27.8 billion yen (YoY: +85.5 billion yen)
    - Operating income recovered to surpass that of the first six months of FY2007, before the Lehman shock
- **Interest-bearing debt was reduced significantly on a year-on-year basis.**
  - **Interest-bearing debt:** 1,194.8 billion yen (YoY: -205.2 billion yen)
- **The interim dividend is 2 yen per share.**

\* YoY: year-on-year comparison

# FY2010 First 6 Months, Year-on-Year

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

	FY10/1H	FY09/1H	Plan	Difference	
				vs. FY09/1H	vs. Plan
Net sales	3,081.1	2,896.7	3,300.0	184.4	-218.9
Operating income (loss)	104.8	2.1	70.0	102.7	34.8
%	3.4%	0.1%	2.1%	3.3%	1.3%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	68.7	-47.4	20.0	116.1	48.7
%	2.2%	-1.6%	0.6%	3.8%	1.6%
Net income (loss)*	27.8	-57.7	10.0	85.5	17.8
%	0.9%	-2.0%	0.3%	2.9%	0.6%
Earnings (losses) per share attributable to shareholders of the Company**	¥6.57	-¥15.16	¥2.36	¥21.73	¥4.21

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

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

# FY2010 First 6 Months by Segment, Year-on-Year

(¥ billions)

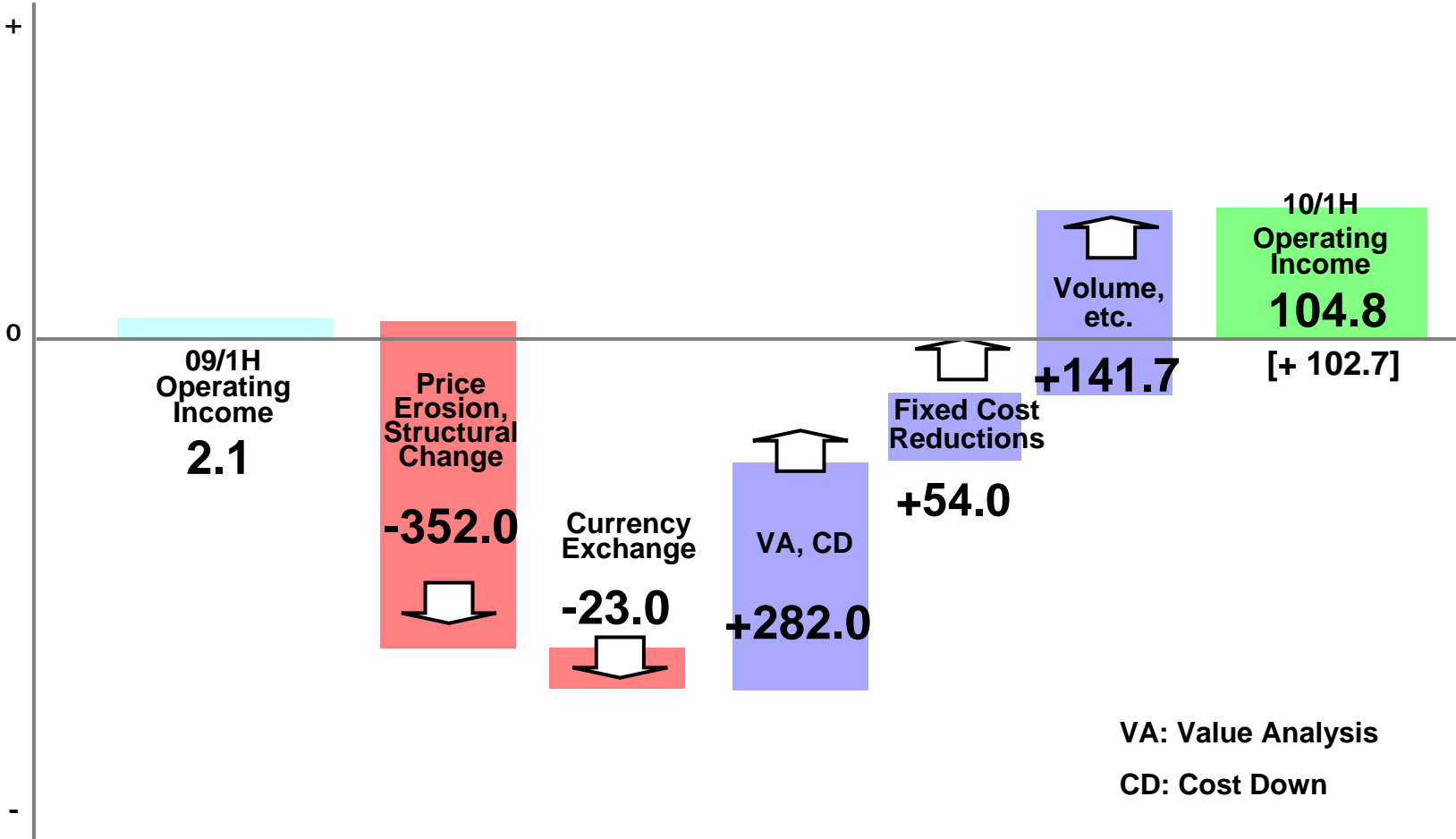
Net Sales	FY10/1H	FY09/1H	Plan	Difference	
				vs. FY09/1H	vs. Plan
Digital Products	1,154.2	1,015.6	1,270.0	138.6	-115.8
Electronic Devices	690.6	610.3	690.0	80.3	0.6
Social Infrastructure	1,014.4	1,053.3	1,100.0	-38.9	-85.6
Home Appliances	294.7	284.9	300.0	9.8	-5.3
Others	178.3	160.3	170.0	18.0	8.3
Total	3,081.1	2,896.7	3,300.0	184.4	-218.9

Operating Income (Loss)	FY10/1H	FY09/1H	Plan	Difference	
				vs. FY09/1H	vs. Plan
Digital Products	11.8	10.6	5.0	1.2	6.8
%	1.0%	1.0%	0.4%	0.0%	0.6%
Electronic Devices	65.5	-35.3	35.0	100.8	30.5
%	9.5%	-5.8%	5.1%	15.3%	4.4%
Social Infrastructure	32.2	39.6	40.0	-7.4	-7.8
%	3.2%	3.8%	3.6%	-0.6%	-0.4%
Home Appliances	0.2	-7.5	0.0	7.7	0.2
%	0.1%	-2.6%	0.0%	2.7%	0.1%
Others	-5.8	-4.8	-10.0	-1.0	4.2
%	-3.2%	-3.0%	-5.9%	-0.2%	2.7%
Total	104.8	2.1	70.0	102.7	34.8
%	3.4%	0.1%	2.1%	3.3%	1.3%

# Operating Income (Loss), FY2009 and FY2010, First 6 Months

(¥ billions)

[ ] = Year-on-year comparison

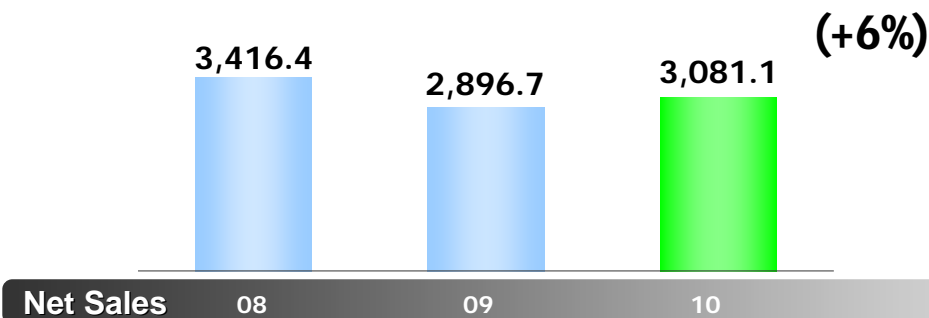


VA: Value Analysis  
CD: Cost Down

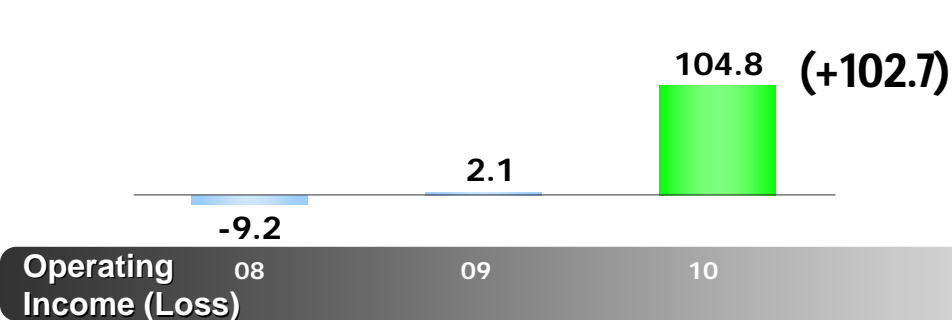
# Overview, FY2010 First 6 Months Results

(¥ billions)

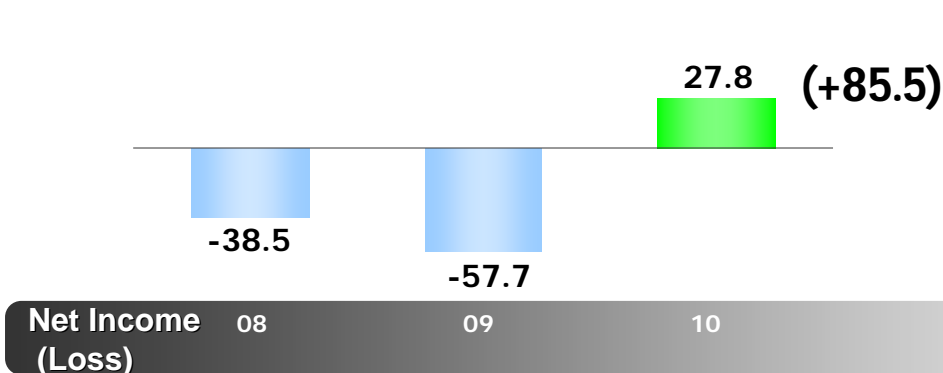
[ ] = Year-on-year comparison



**Net Sales: Increased Sales**  
Higher in Digital Products, Electronic Devices and Home Appliances.



**Operating Income: Improved Profit**  
Improved significantly in Electronic Devices, also up in Digital Products and Home Appliances.

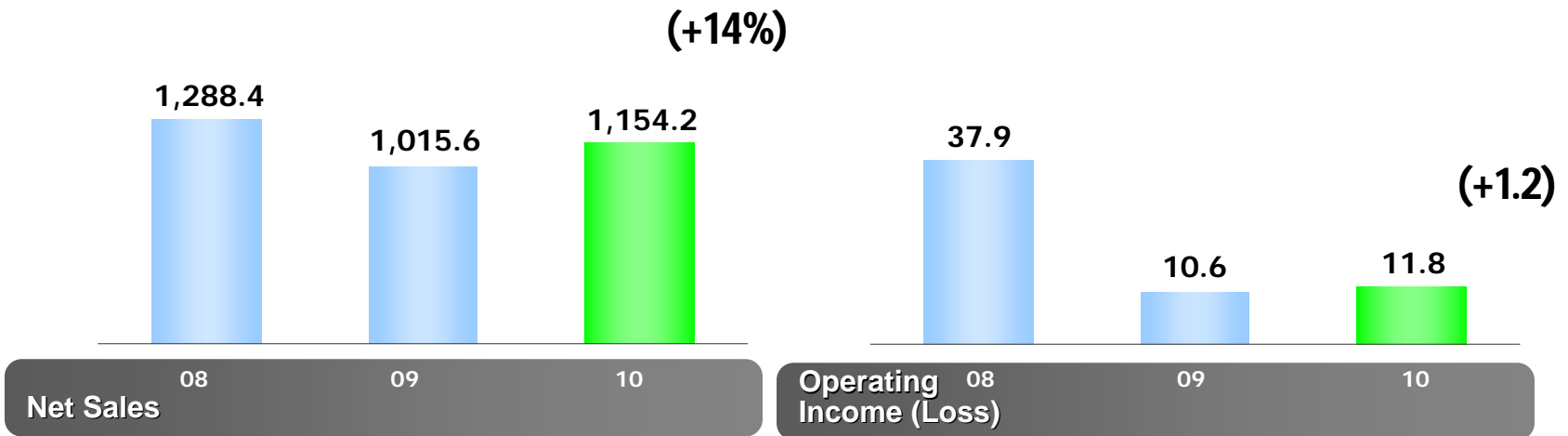


**Net Income (Loss): Moved into profit**  
Operating income (loss) and Net income (loss) before income taxes and noncontrolling interests improved significantly and moved into surplus.

# Digital Products, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



■ Overall net sales increased, due to growth in such businesses as PCs, LCD TVs and Storage Devices (HDD, ODD).

- Increased segment operating income, as Retail Information Systems and Office Equipment were buoyant, though PCs and Storage Devices saw lower operating income.
- LCD TVs has recorded a surplus for six half-year periods in a row.

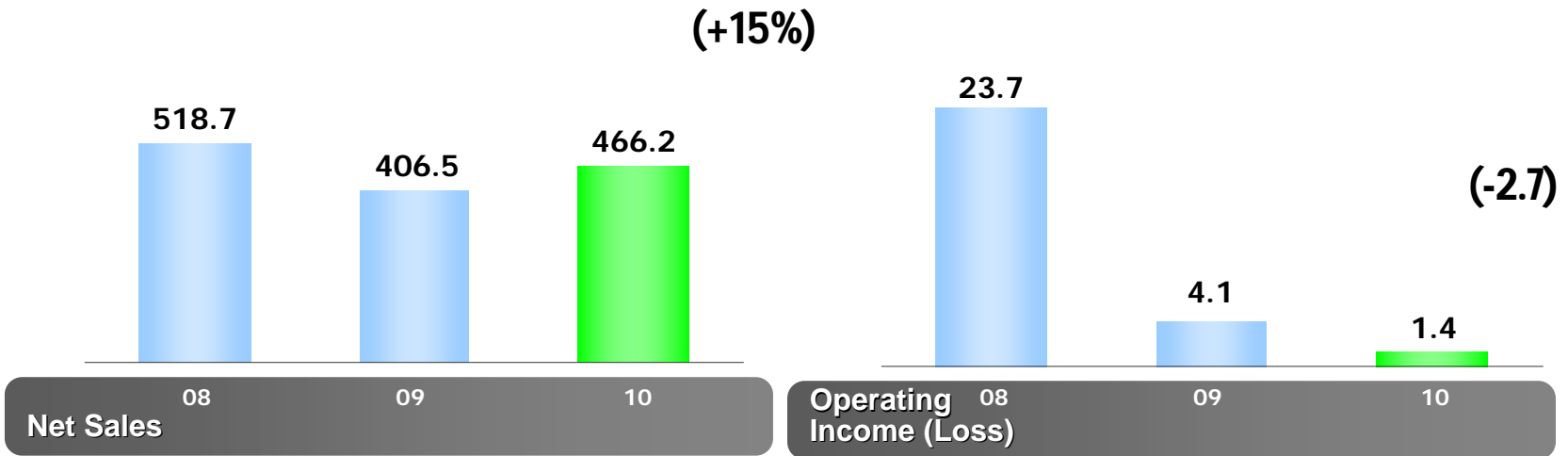
\*Prior-period data relating to the discontinued operations has been reclassified to conform with the current classification.



# PC Business, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



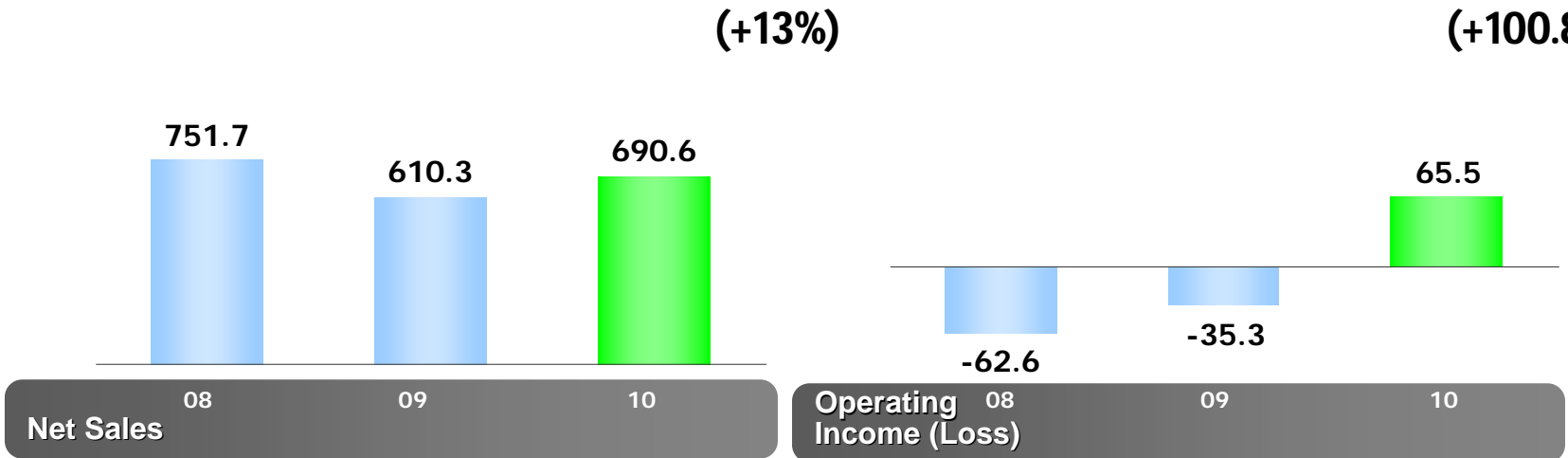
■ Increased net sales, particularly in the United States, Japan and Asia.

- Operating income declined on lower prices and high material costs early in the first half.
- A weak euro produced lower operating income, but increased dollar-denominated procurement compensated for yen appreciation.

# Electronic Devices, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



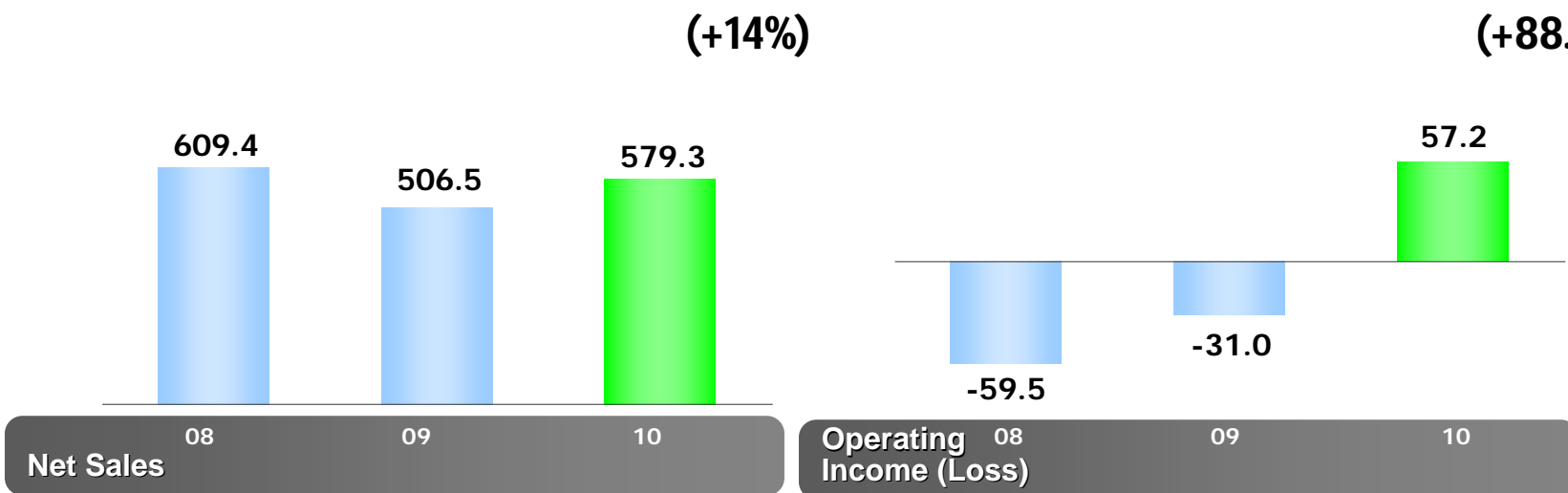
■ **Segment net sales climbed:** Semiconductors saw a buoyant Memory business, and LCDs were firm in the mobile products markets.

■ **Significant operating income on strong performances in the key areas of Semiconductors and LCDs, combined with cost reductions.**

# Semiconductor Business, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



■ Net sales of NAND Flash memory increased significantly on strong demand for high grade mobile products such as smartphones. Discrete and System LSI also saw net sales rise and overall net sales climbed.

■ Operating income (loss) improved significantly, largely due to increased sales in NAND Flash memory, plus results from restructuring, including System LSI.

# Semiconductor Business Results Breakdown

(¥ billions)

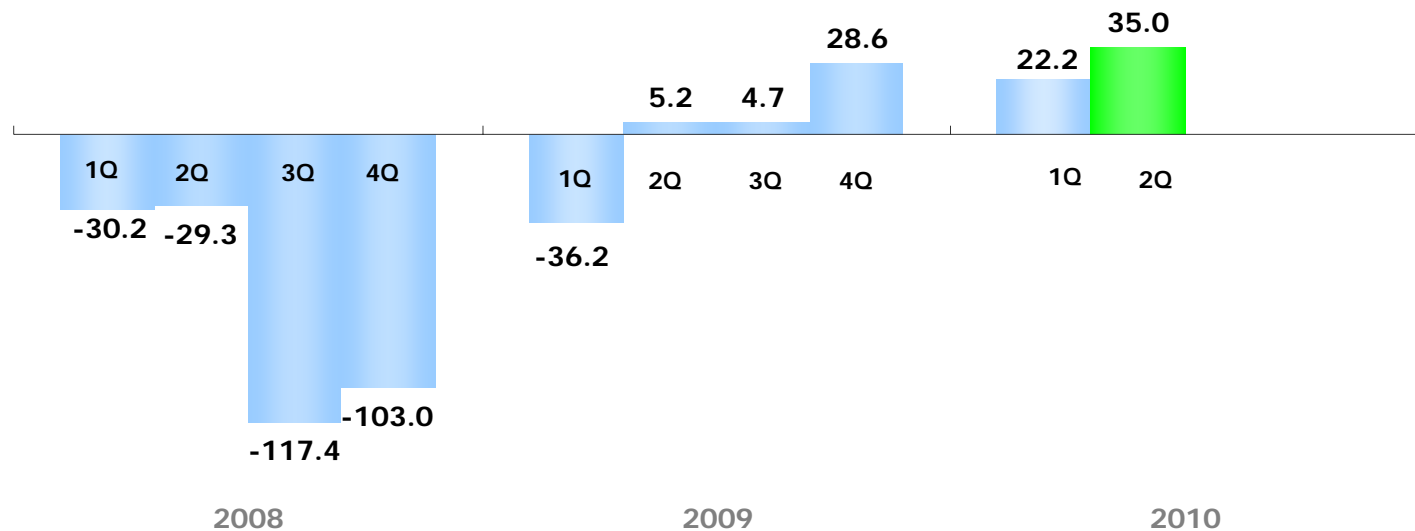
Net Sales	FY10/1H	FY09/1H	vs. FY09/1H
Discrete	103.0	92.5	10.5
System LSI	174.9	164.4	10.5
Memory	301.4	249.6	51.8
Semiconductor Total	579.3	506.5	72.8

Operating Income (Loss)	FY10/1H	FY09/1H	vs. FY09/1H
Semiconductor Total	57.2	-31.0	88.2
%	9.9%	-6.1%	16.0%

# Semiconductor Business

## Quarterly Trend in Operating Income (Loss)

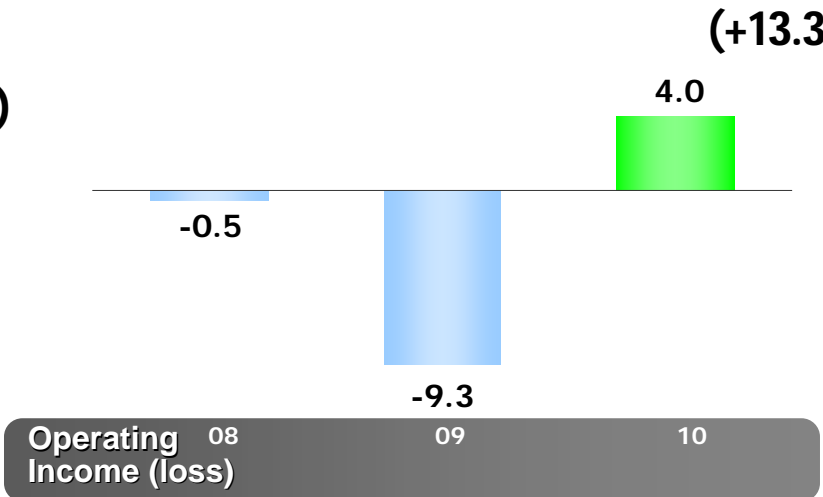
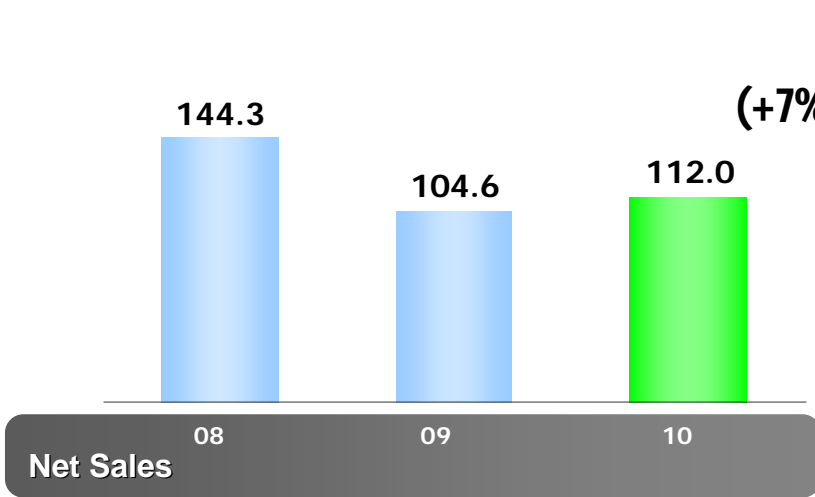
(¥ billions)



# LCD Business, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



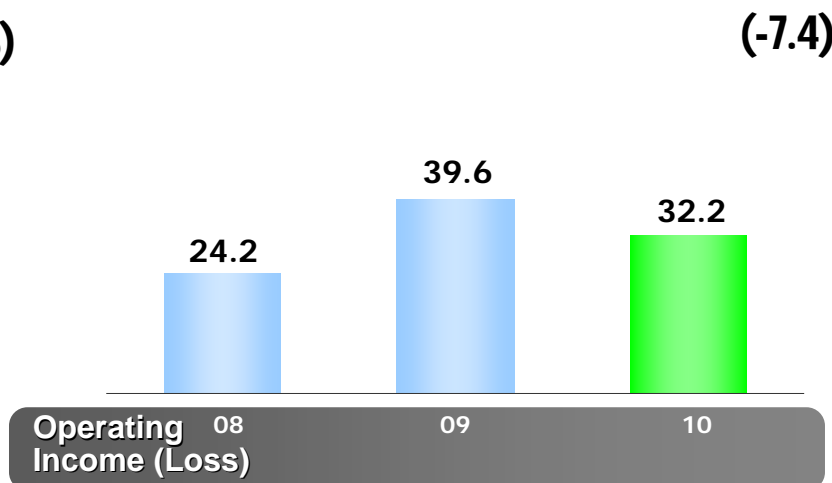
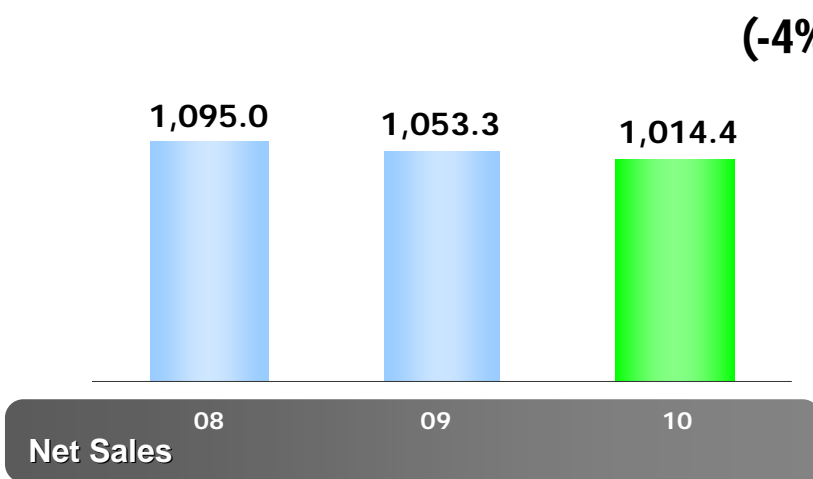
■ Net sales grew on increased demand for mobile products.

■ The LCD business improved significantly and generated profit on restructuring that restored financial health, and on increased demand and success in cost cutting, etc.

# Social Infrastructure, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



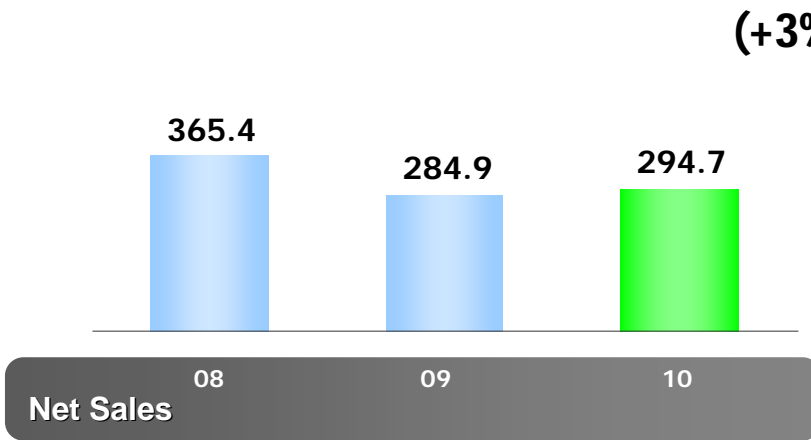
■ Though Nuclear Power saw firm sales, segment sales eased as Power Systems, Industrial Systems and the Solutions business felt the impact of order declines in the previous year's recession.

■ Though lower operating income reflected a sales decline, the segment as a whole delivered a healthy performance.

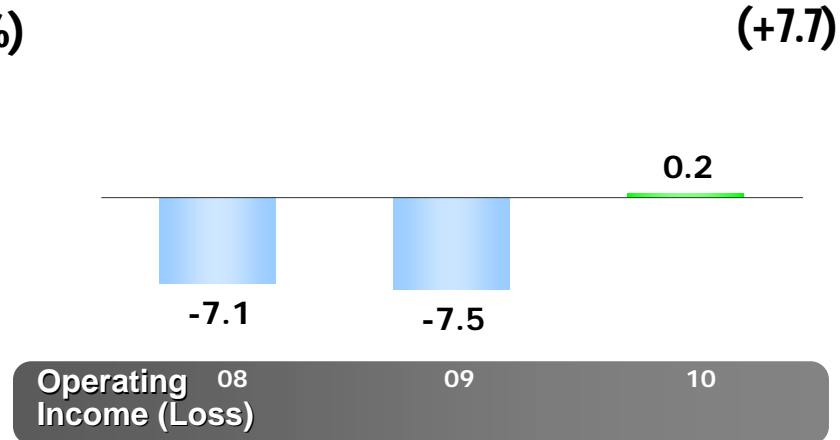
# Home Appliances, FY2010 First 6 Months

(¥ billions)

[ ] = Year-on-year comparison



■ Home Appliances saw higher sales on the strength of sales of White Goods and Home Air-conditioners in Japan, driven by the eco-point program and the summer heat wave.



■ Home Appliances moved into profit on increased sales in White Goods and cost reductions, etc.



# Non-Operating Income (Loss) and Expenses

(¥ billions)

	FY10/1H	FY09/1H	Difference
			vs. FY09/1H
Loss on sales of fixed assets	-4.3	-16.2	11.9
Equity in earnings of affiliates	6.1	8.7	-2.6
Foreign exchange loss	-3.4	-2.0	-1.4
Net financial loss	-12.6	-13.9	1.3
Others	-21.9	-26.1	4.2
<b>Total</b>	<b>-36.1</b>	<b>-49.5</b>	<b>13.4</b>

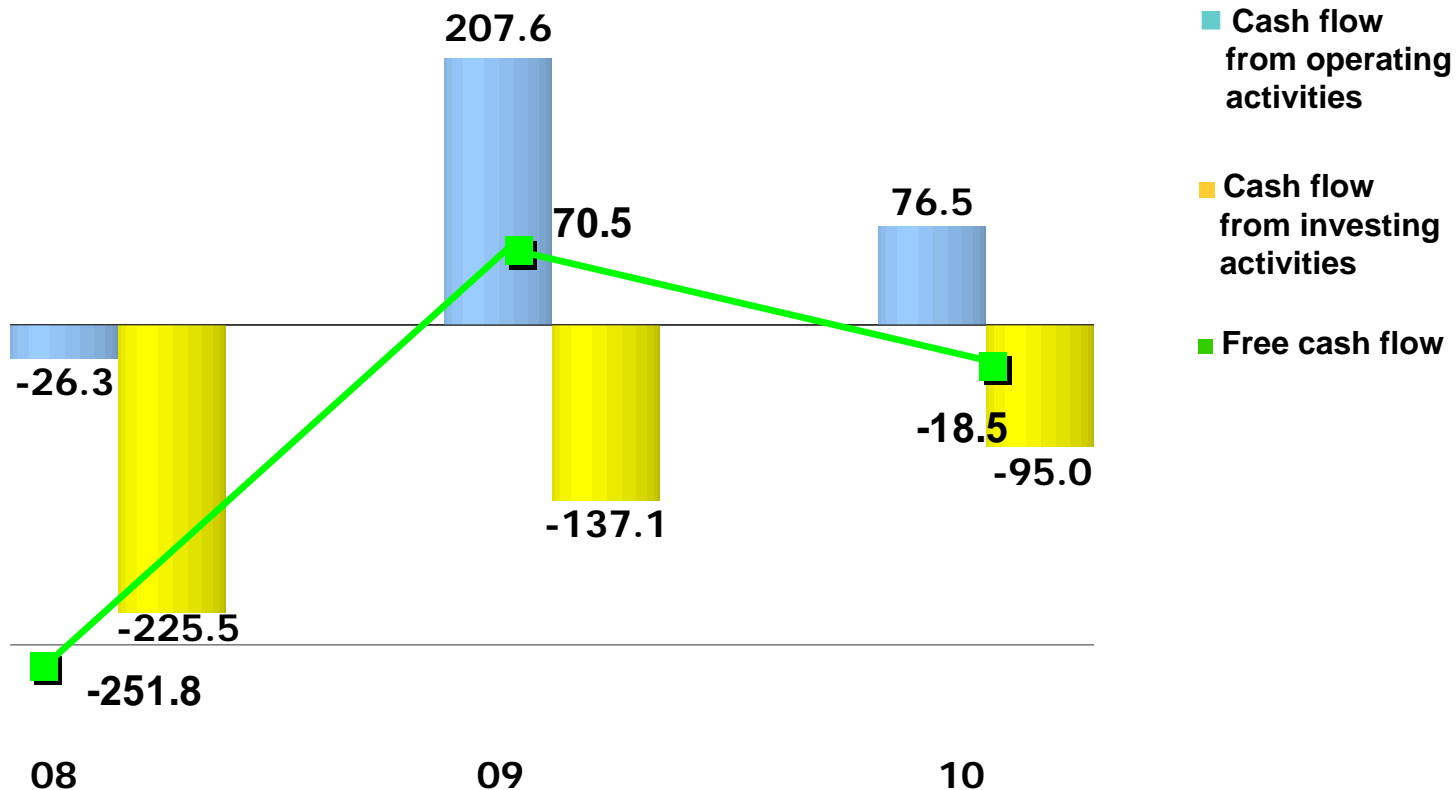
# Income Tax and Net Income (Loss) Attributable to Noncontrolling Interests

(¥ billions)

	FY10/1H	FY09/1H	Difference
			vs. FY09/1H
Income (loss) from continuing operations, before income taxes and noncontrolling interests	68.7	-47.4	116.1
Income tax	-27.7	-6.1	-21.6
Income (loss) from discontinued operations, before noncontrolling interests	-7.6	0.3	-7.9
Net income (loss) attributable to noncontrolling interests	-5.6	-4.5	-1.1
Net income (loss)	27.8	-57.7	85.5

# Cash Flows, FY2010 First 6 Months

(¥ billions)



# Consolidated Balance Sheets

(¥ billions)

## Assets

6,044.8

5,361.1

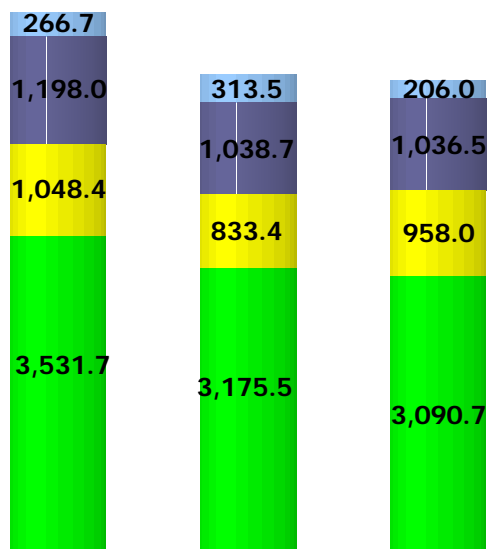
5,291.2

■ Cash  
Equivalents

■ Accounts  
Receivable

■ Inventories

■ Others



08/9E

09/9E

10/9E

## Liabilities and Equity

6,044.8

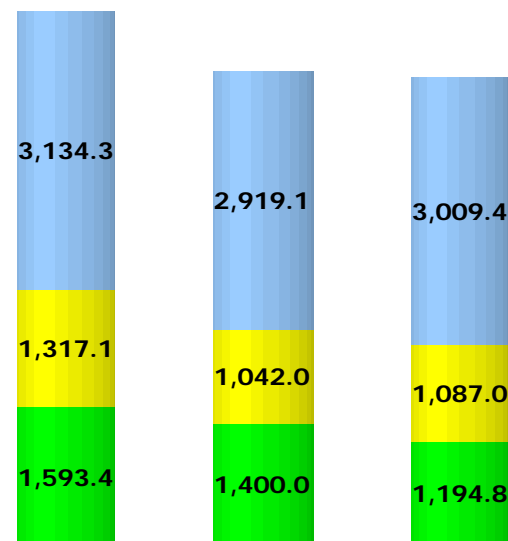
5,361.1

5,291.2

■ Others

■ Total  
Equity

■ Interest-  
bearing  
Debt



08/9E

09/9E

10/9E

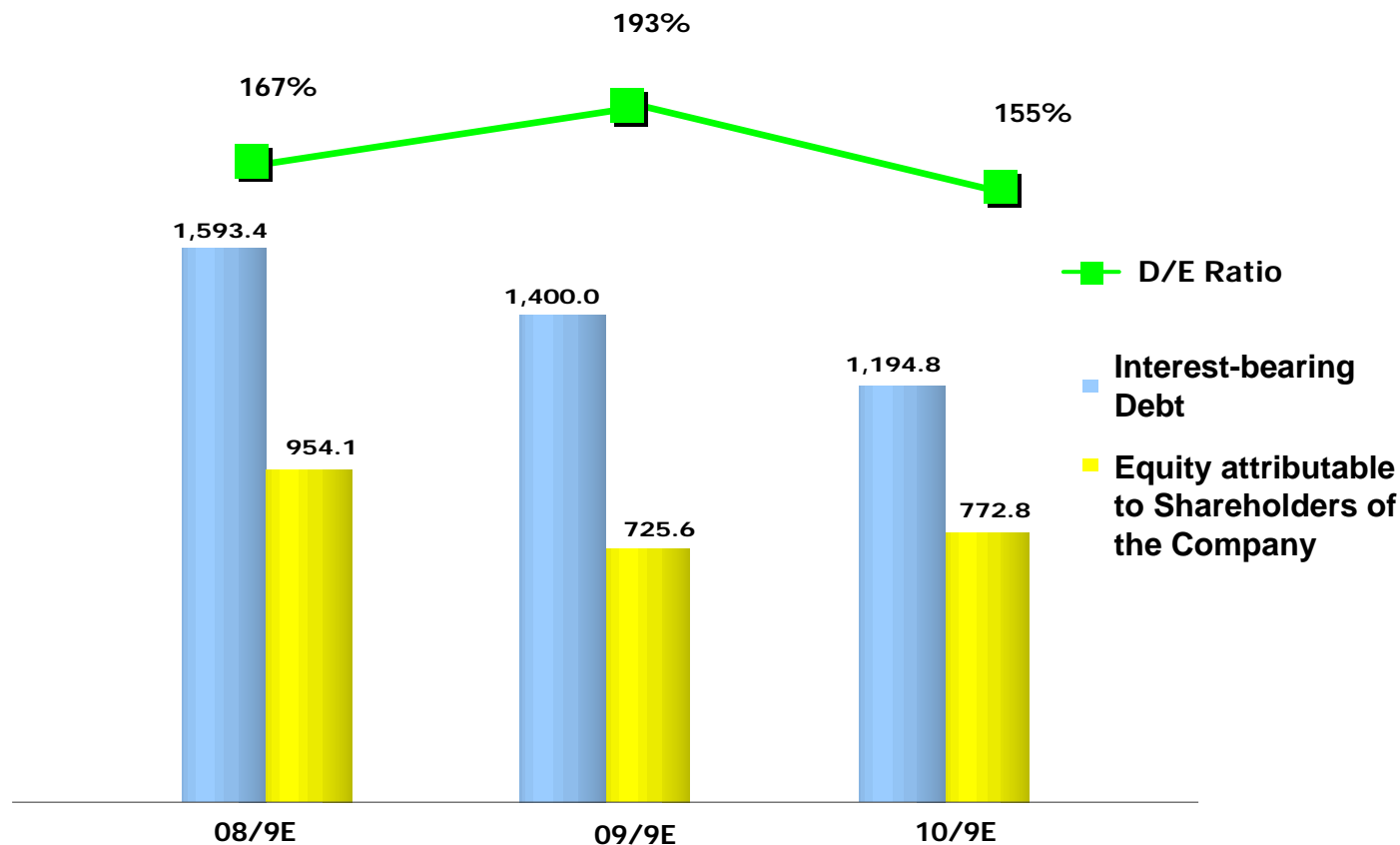
# Total Equity

(¥ billions)

	10/9E	10/3E	Difference (10/9E vs 10/3E)
Common Stock	439.9	439.9	0.0
Additional paid-in capital	401.0	447.7	-46.7
Retained earnings	449.9	375.4	74.5
Accumulated other comprehensive loss	-516.7	-464.3	-52.4
Treasury stock	-1.3	-1.3	0.0
Equity attributable to shareholders of the Company	772.8	797.4	-24.6
Equity attributable to noncontrolling interests	314.2	330.2	-16.0
Total equity	1,087.0	1,127.6	-40.6
Equity attributable to shareholders of the Company / Total asset ratio	14.6%	14.6%	0.0%

# DE Ratio

(¥ billions)



# FY2010 2Q, Year-on-year

(¥ billions)

	FY10/2Q	FY09/2Q	Difference
			vs. FY09/2Q
Net sales	1,629.7	1,583.0	46.7
Operating income (loss)	71.0	36.5	34.5
%	4.4%	2.3%	2.1%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	58.7	11.5	47.2
%	3.6%	0.7%	2.9%
Net income (loss)	27.3	0.1	27.2
%	1.7%	0.0%	1.7%

# FY2010 2Q by Segment, Year-on-Year

(¥ billions)

Net Sales	FY10/2Q	FY09/2Q	Difference
			vs. FY09/2Q
Digital Products	572.4	550.9	21.5
Electronic Devices	358.6	338.1	20.5
Social Infrastructure	579.0	586.1	-7.1
Home Appliances	156.2	148.8	7.4
Others	91.9	86.8	5.1
Total	1,629.7	1,583.0	46.7

Operating Income (Loss)	FY10/2Q	FY09/2Q	Difference
			vs. FY09/2Q
Digital Products	1.0	2.6	-1.6
%	0.2%	0.5%	-0.3%
Electronic Devices	38.5	6.6	31.9
%	10.7%	1.9%	8.8%
Social Infrastructure	33.3	33.1	0.2
%	5.7%	5.6%	0.1%
Home Appliances	1.4	-2.9	4.3
%	0.9%	-1.9%	2.8%
Others	-3.6	-2.4	-1.2
%	-3.9%	-2.8%	-1.1%
Total	71.0	36.5	34.5
%	4.4%	2.3%	2.1%



# FY2010 Forecast, Overall

(¥ billions)

	FY2010	FY2009	Difference
			vs. FY2009
Net sales	7,000.0	6,291.2	708.8
Operating income (loss) %	250.0 3.6%	125.2 2.0%	124.8
Income (loss) from continuing operations, before income taxes and noncontrolling interests %	150.0 2.1%	34.4 0.5%	115.6
Net income (loss) %	70.0 1.0%	-19.7 -0.3%	89.7
Earnings (losses) per share attributable to shareholders of the Company	¥16.53	-¥4.93	¥21.46

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

# FY2010 Forecast by Segment

Net Sales	FY2010	FY2009	Difference
			vs. FY2009
Digital Products	2,630.0	2,263.2	366.8
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	6,291.2	708.8

(¥ billions)

Operating Income (Loss)	FY2010	FY2009	Difference
			vs. FY2009
Digital Products	30.0	21.3	8.7
%	1.1%	0.9%	0.2%
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	125.2	124.8
%	3.6%	2.0%	1.6%

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

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# **TOSHIBA**

## **Leading Innovation >>>**