

TOSHIBA

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FY2014
First Quarter Consolidated
Business Results

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Representative Executive Officer and
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TOSHIBA CORPORATION

July 31, 2014

Forward-looking Statements

- This presentation contains forward-looking statements concerning Toshiba Group'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.
- As a global entity, operating a wide range of businesses in countries and regions with widely different market environments, Toshiba wishes to caution that actual results may differ materially from our expectations due to 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's fiscal year runs from April 1 to March 31.
- All figures are consolidated totals for the first 3 months of fiscal year 2014, unless otherwise indicated.
- Prior-period performance on consolidated segment information has been reclassified to conform with the current classification.
- Up until FY2013, some of advanced R&D expenses and headquarters administrative overhead expenses were allocated to all segments. Starting in FY2014, part of these expenses is classified into the corporate expenses without being allocated to the segments. Results of the past fiscal years have been revised to reflect this change.
- The optical disc drive (ODD) business is classified as a discontinued operation in accordance with the Accounting Standards Classification (ASC) 205-20 "Presentation of Financial Statements – Discontinued Operations". The results of the ODD business have been excluded from net sales, operating income (loss), and income (loss) from continuing operations, before income taxes and noncontrolling interests. Net income of Toshiba Group is calculated by reflecting the ODD business results to income (loss) from continuing operations, before income taxes and noncontrolling interests. Results of the past fiscal years have been revised to reflect this change.

Key Points of FY2014 1Q: Net Sales

- **Toshiba Group recorded higher sales than in the year-earlier period, reflecting growth mainly in the Energy & Infrastructure and Community Solutions segments.**

Net Sales: 1,408.0 billion yen (YoY: +36.9 billion yen)

- Social infrastructure related businesses recorded significant growth. The Energy & Infrastructure segment saw higher sales, reflecting good performances in social infrastructure businesses, including Solar Photovoltaic Systems and Railroad Systems, as well as the steady performance of the Power Systems business. The Community Solutions segment also recorded higher sales on good performances by the building solutions business and Toshiba TEC Corporation.
- The Electronic Devices & Components segment saw lower sales, reflecting lower sales price in Memories.
- The Lifestyle Products & Services segment saw slightly higher sales, reflecting replacement demand for Windows XP PCs.

Key Points of FY2014 1Q: Operating Income & Debt-to-Equity Ratio

- **Record 1Q operating income of 39.5 billion yen, a 57% increase.**

Operating income:	39.5 billion yen	(YoY: +14.4 billion yen)
Income before income taxes and noncontrolling interest:	17.3 billion yen	(YoY: -1.1 billion yen)
Net income:	8.9 billion yen	(YoY: +3.6 billion yen)

- The Electronic Devices & Components segment recorded operating income of 36.6 billion yen. The Memories business maintained high profitability despite lower sales prices, reflecting enhanced competitiveness on advances in process technology. The Storage Products business saw higher operating income, especially in 3.5-inch HDDs.
- The Energy & Infrastructure segment recorded higher operating income, reflecting higher operating income in the Solar Photovoltaic Systems, Railroad Systems and Nuclear Power Systems businesses. The Community Solutions segment also recorded higher operating income, reflecting higher operating income in the Commercial Air-Conditioner business and at Toshiba TEC.
- The Lifestyle Products & Services segment saw a significant increase in operating income of 21.6 billion yen. The Home Appliances business has now maintained positive operating income for three consecutive quarters, and the PC business also recorded positive operating income. The TV business saw a significant improvement.
- Net income (loss) attributable to shareholders of the Company increased by 69% to 8.9 billion yen, second only to FY 2007 1Q.

- **The debt-to-equity ratio was 120%, a YoY improvement of 13 points.**

FY2014 1Q Overall, Year-on-Year

(Yen in billions)

	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Net Sales	1,408.0	1,371.1	36.9
Operating Income (loss)	39.5	25.1	14.4
%	2.8%	1.8%	1.0%
Income (loss) before income taxes and noncontrolling interests	17.3	18.4	-1.1
%	1.2%	1.3%	-0.1%
Net Income (loss)	8.9	5.3	3.6
%	0.6%	0.4%	0.2%
Earnings (losses) per share attributable to shareholders of the Company	¥2.11	¥1.25	¥0.86

- “Net Income (loss)” refers to Net Income (loss) attributable to shareholders of the Company hereinafter.
- “the Company” refers to Toshiba Corporation.

FY2014 1Q by segment, Year-on-Year

Net Sales	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Energy & Infrastructure	401.5	356.3	45.2
Community Solutions	301.1	279.1	22.0
Healthcare Systems & Services	71.4	77.9	-6.5
Electronic Devices & Components	372.0	397.7	-25.7
Lifestyle Products & Services	289.0	281.7	7.3
Others	113.6	103.9	9.7
Total	1,408.0	1,371.1	36.9

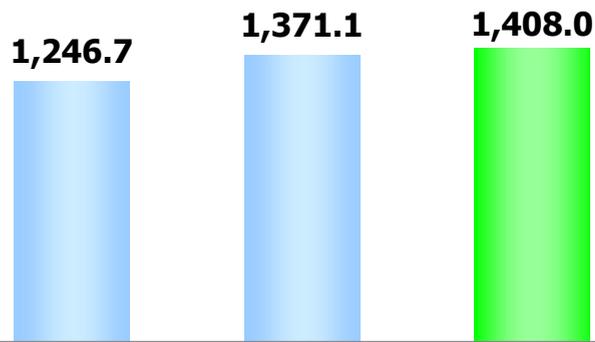
(Yen in billions)

Operating Income (loss)	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Energy & Infrastructure	10.8	4.3	6.5
%	2.7%	1.2%	1.5%
Community Solutions	3.6	0.7	2.9
%	1.2%	0.2%	1.0%
Healthcare Systems & Services	0.5	3.2	-2.7
%	0.7%	4.1%	-3.4%
Electronic Devices & Components	36.6	49.8	-13.2
%	9.8%	12.5%	-2.7%
Lifestyle Products & Services	-3.3	-24.9	21.6
%	-1.1%	-8.8%	7.7%
Others	-0.3	0.2	-0.5
%	-0.2%	0.2%	-0.4%
Total	39.5	25.1	14.4
%	2.8%	1.8%	1.0%

* "Total" figures include corporate and eliminations. (See "Forward-looking statements" on page 2.)

Overview, FY2014 1Q Results

(Yen in billions)
(vs FY13/1Q)

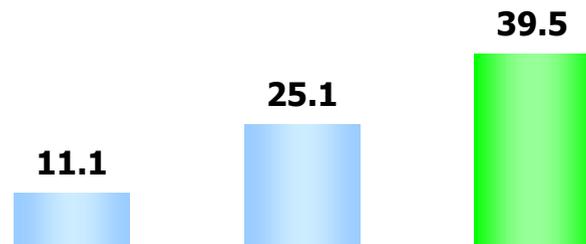


[+3%]

Higher sales

Toshiba Group as a whole saw higher sales, reflecting sales increases in the Energy & Infrastructure and Community Solutions segments.

Net sales 12 13 14



[+14.4]

Higher operating income

Higher operating income reflected good performances in the Energy & Infrastructure and Community Solutions segments and a significant improvement in the Lifestyle Products & Services segment.

Operating income (loss) 12 13 14



[+3.6]

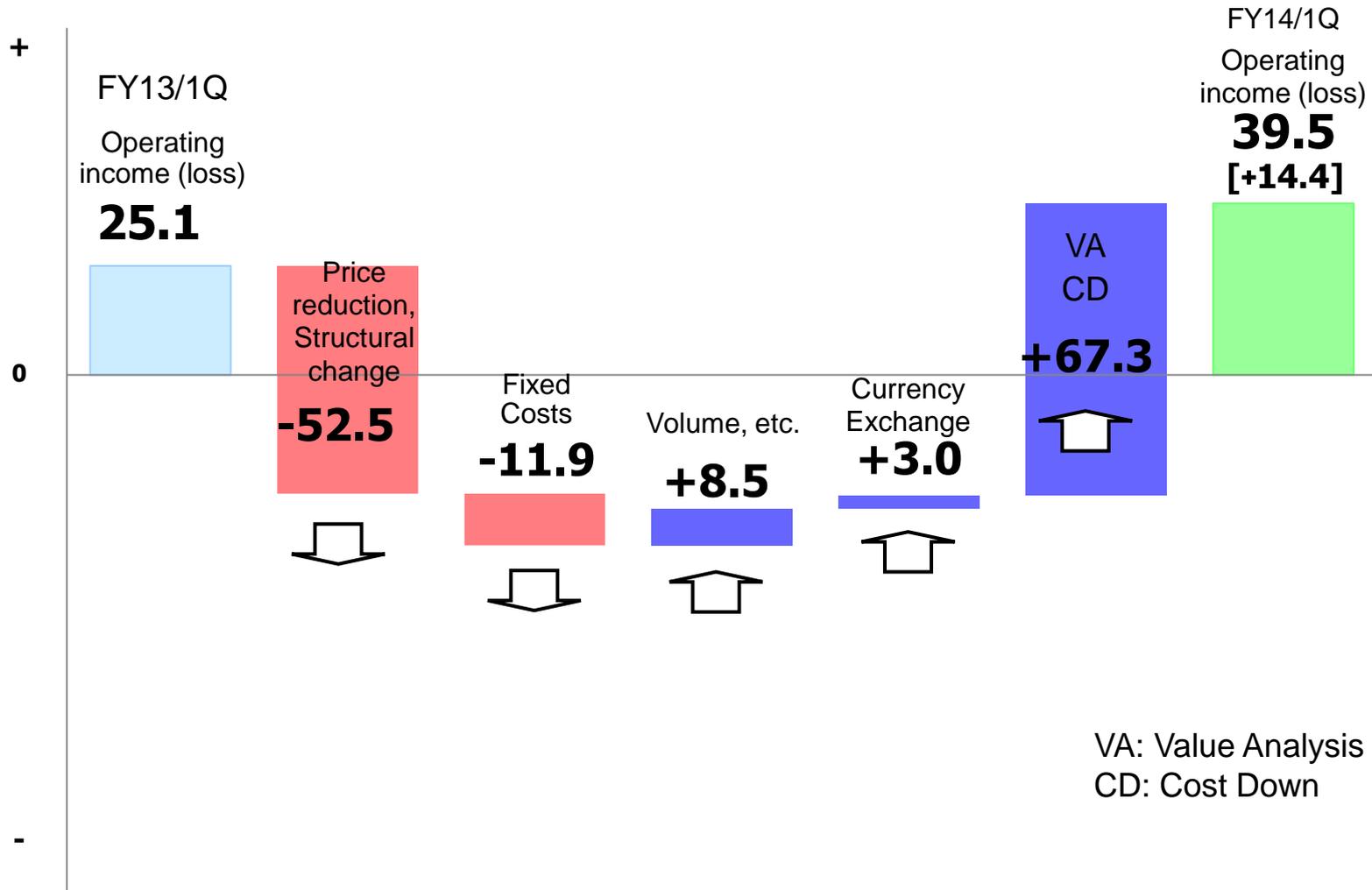
Higher net income

Net income rose on higher operating income.

Net income (loss) 12 13 14

Operating Income (Loss) Analysis, FY2014 1Q

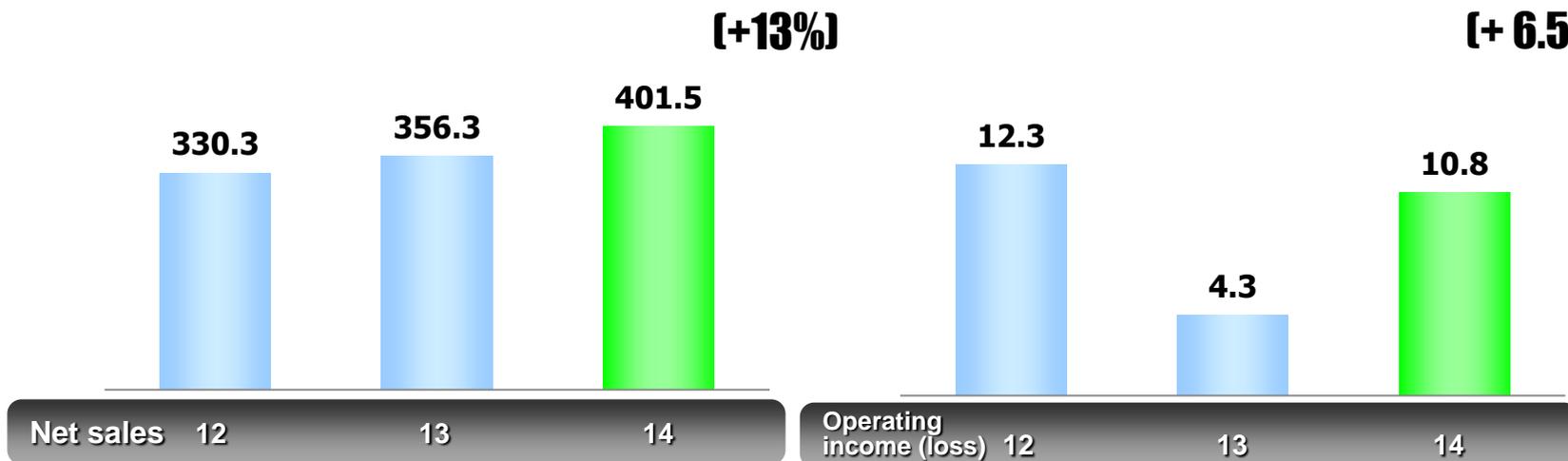
(Yen in billions)
(vs. FY13/1Q)



VA: Value Analysis
CD: Cost Down

Energy & Infrastructure, FY2014 1Q

(Yen in billions)
(vs FY13/1Q)



■ The segment as a whole saw higher sales on good performance in renewable energy businesses, including Solar Photovoltaic Systems, and in the overseas Railroad Systems, Automotive Systems and Industrial Equipment businesses, as well as steady performances in the power systems businesses including Thermal and Nuclear Power Systems.

■ Higher operating income reflected a significant increase in the overseas Railroad Systems business and in the Solar Photovoltaic Systems and Nuclear Power Systems businesses. The Thermal Power Systems business also maintained high profitability.

Energy & Infrastructure: Main Projects in 1Q

■ Major Topics (● Overseas ■ Japan)

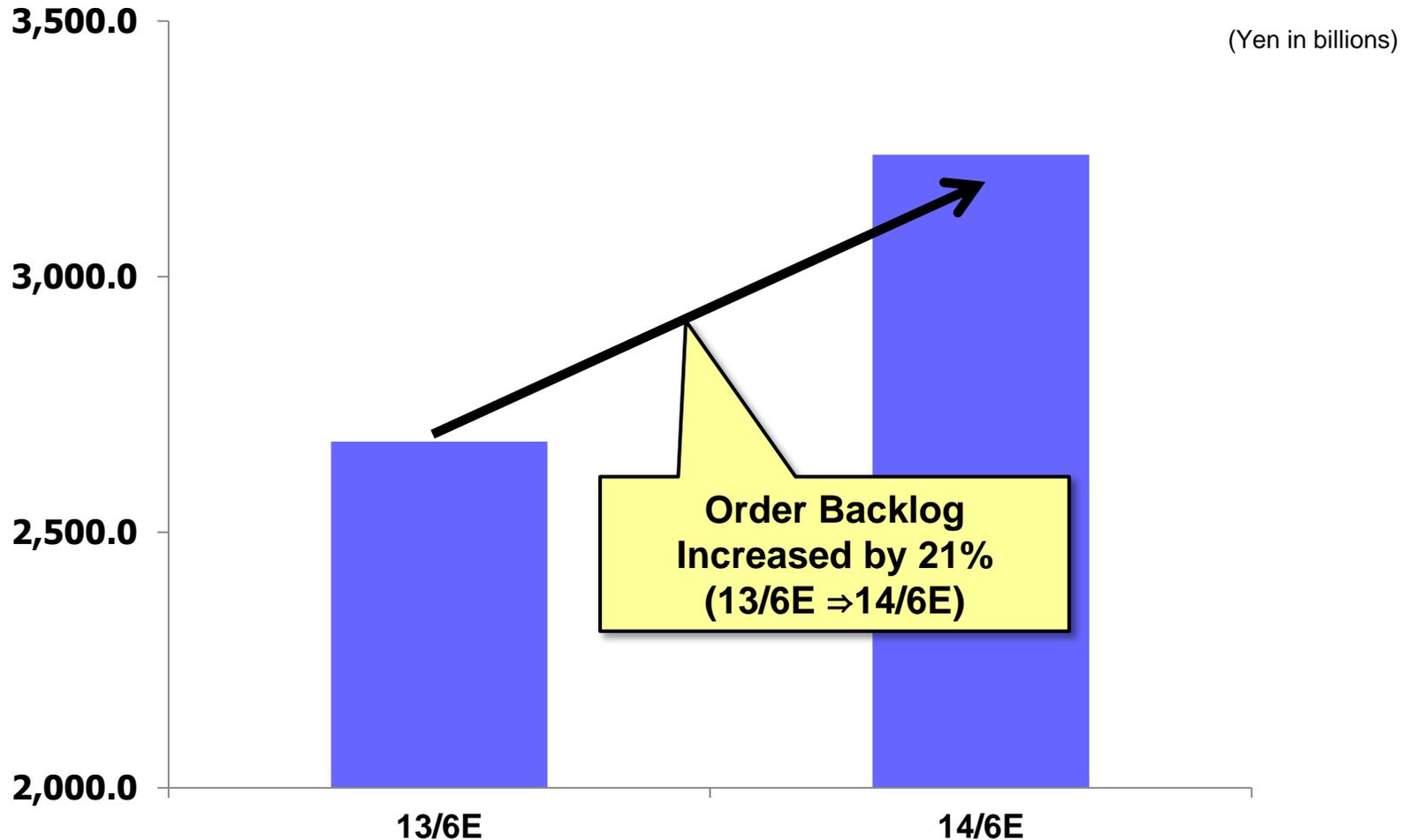
- Acquired 60% stake in U.K.-based NuGeneration Ltd (NuGen)
- Landis+Gyr established itself as a distribution grid solutions provider through strategic M&A.
 - Acquired PowerSense, a company that excels in optical sensor technologies
 - Acquired GRIDiant, a utility analytics company focused on distribution grid management and analytics software
- Began manufacturing superconducting coils for ITER
- Selected by the Ministry of the Environment as a contractor for a project to develop and demonstrate CO₂ emission reduction technologies
- Toshiba's communications unit for smart meters obtained certification for ECHONET Lite application-layer communications between smart meters and HEMS controllers

■ Orders received (● Overseas ■ Japan)

- Won a series of orders for equipment for overseas thermal and hydro power plants
 - Paraguay: Power generation facilities for the Yguazu Hydropower Station (2x103MW)
 - Mexico: Steam turbines for the Altamira Thermal Power Plant (2x165MW)
- Won a series of orders for fuel supply for nuclear power plants (Europe, notably Sweden and Eastern Europe)
- Won an order for electrical systems for locomotives in China
- U.K.: Selected to provide secondary battery for a frequency regulation demonstration project led by the University of Sheffield
- Won an order for electric equipment for new free gauge trains (FGTs)

Energy & Infrastructure Group, Order Backlog

* Power Systems Company & Transmission & Distribution Systems Business
(Solar Photovoltaic Power Systems are excluded.)

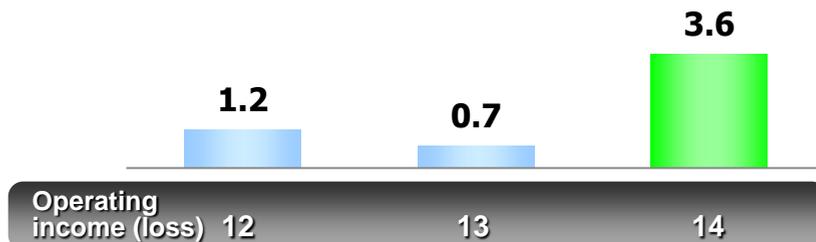
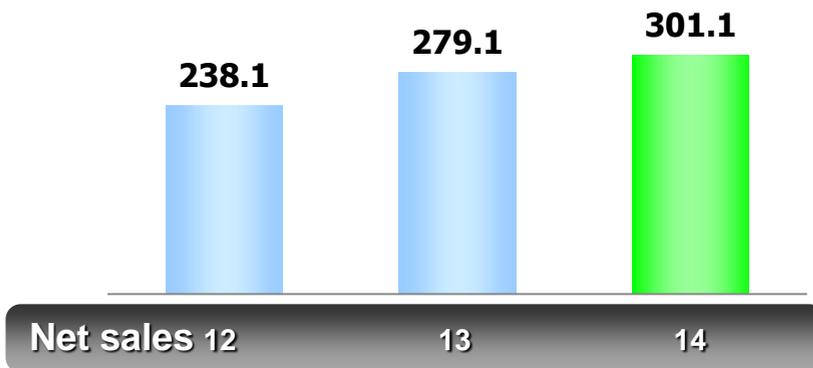


Community Solutions, FY2014 1Q

(Yen in billions)
(vs FY13/1Q)

[+8%]

[+2.9]



■ The segment as a whole saw higher sales. Solar Photovoltaic Systems and Disaster Prevention Systems for municipalities saw steady sales, as did building solutions, such as Elevators and Building Systems and Commercial Air-Conditioners. Overseas sales increased, and Toshiba TEC also recorded higher sales.

■ Higher segment operating income reflected good performances in Solar Photovoltaic Systems, Disaster Prevention Systems for municipalities and building solutions businesses. Overseas Commercial Air Conditioners business saw higher operating income, as did Toshiba TEC.

Community Solutions: Main Projects in 1Q

■ Major Topics (● Overseas ■ Japan)

- France: Started to demonstrate a home energy monitoring system and community management system (CMS) in Lyon
- Malaysia: Established an elevator engineering center
- Constructed a smart house in the city of Saitama in collaboration with Honda and Sekisui House that embodies a future lifestyle around 2020
- Participated in Summer 2014 Yokohama Smart City Project Demonstration
- Selected as a support service provider for energy management for a project subsidized by the Ministry of Economy, Trade and Industry

■ New products and orders received (● Overseas ■ Japan)

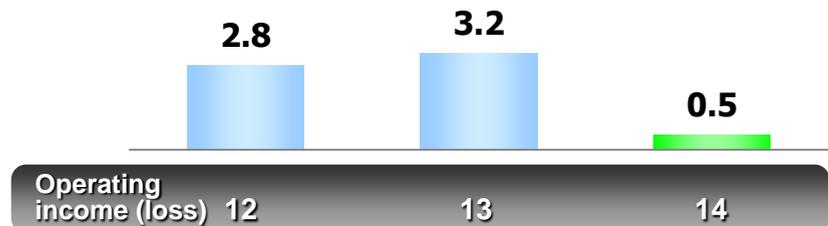
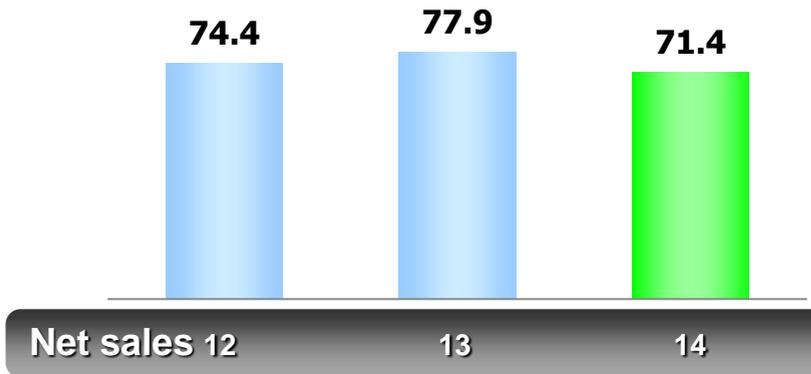
- Malaysia: Won an order for elevators to be installed in a commercial complex
- India: Won an order for air-conditioning facilities for large condominiums
- Indonesia: Won an order for seawater desalination facilities from a food company
- Won an order for solar photovoltaic modules to be installed in the Oita Hiyoshibaru Mega-Solar Power Plant
- Won an order for lighting apparatus to be installed in a TV station's studios
- Released new models of the eneGoon™ stationary home storage battery system based on SCiB™
- Released 460-liter EcoCute water heaters that provide industry-leading water supply and heat insulation performance

Healthcare Systems & Services, FY2014 1Q

(Yen in billions)
(vs FY13/1Q)

[-8%]

[-2.7]



■ The segment as a whole saw lower sales. In Japan, equipment sales, especially of X-ray and ultrasonic diagnostic systems, declined as the result of higher demand in the previous quarter prior to an increase in the consumption tax, while sales in the U.S. and Europe were impacted by policies to curb total spending on medical care.

■ Lower operating income reflected lower equipment sales, despite stable performance in the domestic and overseas service sectors.

Healthcare Systems & Services: Main Projects in 1Q

■ Major Topics (◆ Diagnostic Imaging ❖ New Business)

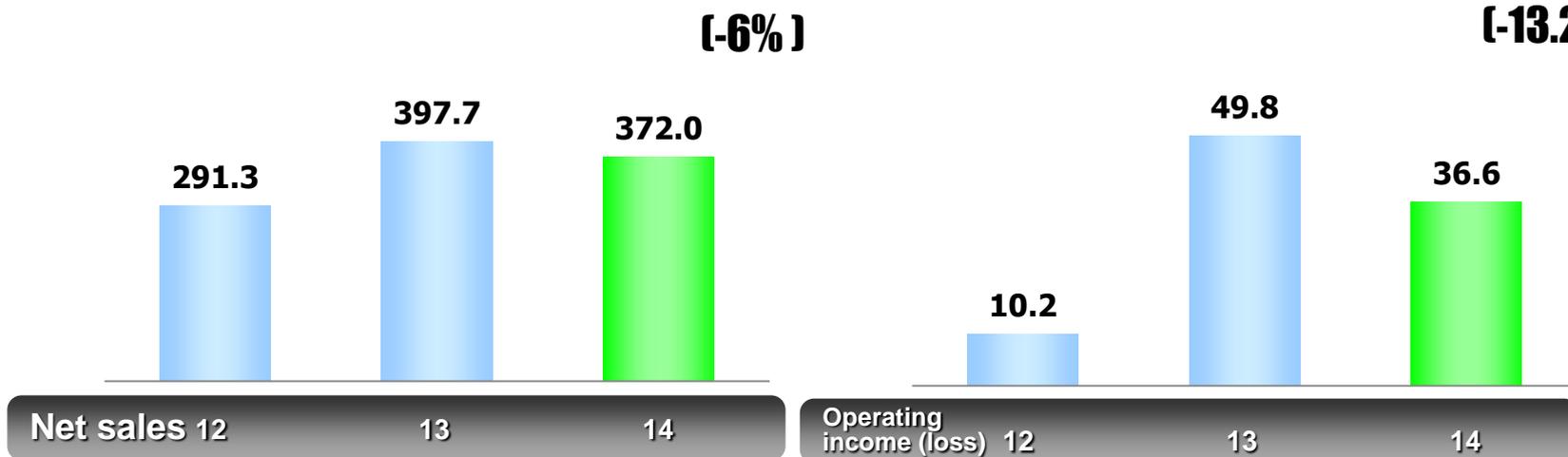
- ◆ Strengthened business presence in Malaysia, which serves as a logistics hub for Europe and the Middle East and is aggressively promoting medical tourism
 - Established a new subsidiary for sales and service activities and started business
 - Established a new company that manufactures medical diagnostic imaging systems
- ◆❖ Announced the merger of Toshiba Medical Systems Corporation and Toshiba Medical Systems Engineering Co., Ltd.
- ❖ Commercialized production of pesticide-free, long-life vegetables at the Toshiba Clean Room Farm, Yokosuka
- ◆ The precision verification achieved by the DoseRite Dose Tracking System (DTS) won the Gold Prize at JRC2014

■ New products and orders received (◆ Diagnostic Imaging ❖ New Business)

- ◆ Won an order for 66 CT systems from the Ministry of Health of Turkey, in addition to 88 units that were delivered and installed last year
- ◆ Launched the new Celesteion™ PET-CT system
- ◆ Released Version 6 of the Aquilion ONE™ series, which makes it possible to diagnose a wider variety of conditions

Electronic Devices & Components, FY2014 1Q

(Yen in billions)
(vs FY13/1Q)



- The segment as a whole saw lower sales. Sales in the Memories business were lower due to controlled production and sales in response to market trends and lower sales prices. The Storage Products business, notably 3.5-inch HDDs, recorded higher sales.

- The segment as a whole saw lower operating income, but still at a high level. The Memories business retained high profitability, despite lower sales prices, reflecting enhanced competitiveness on advances in process technology. The Storage Products business saw higher operating income and the Discrete and System LSIs businesses saw a significant improvement.

Electronic Devices & Components: Main Projects in 1Q

■ Major Topics

- Decided to demolish the No. 2 semiconductor fabrication facility (Fab 2) at Yokkaichi Operations and replace it with a new fab to secure space for 3D NAND technology. This will realize efficient investments for conversion of 2D NAND capacity to 3D in close cooperation with other facilities.
- Started mass production of the world's first 15nm NAND flash memories

■ New products

- Started sample shipment of the industry's first embedded NAND flash memory modules compliant with the UFS Version 2.0 standard
- Started sample shipment of microSD cards that provide world's fastest data transfer rate
- Started sample shipment of an interface bridge IC that converts 4K Ultra-HD video stream from HDMI to MIPI Display Serial Interface (DSI)
- Started sample shipment of an image recognition LSI that can be mounted on a small camera module
- Released a new processor for an image recognition LSI series that can be mounted on a small camera module
- Released white LEDs in an ultra-small chip-scale package that occupies 90% less board area than its predecessor
- Released Schottky barrier diodes fabricated using a new SiC process
- Released HDDs for cloud applications with a 5TB* capacity

* TB: Terabytes (1024 times a gigabyte; approx. one trillion bytes)

Semiconductor & Storage Products Business: Results Breakdown

(Yen in billions)

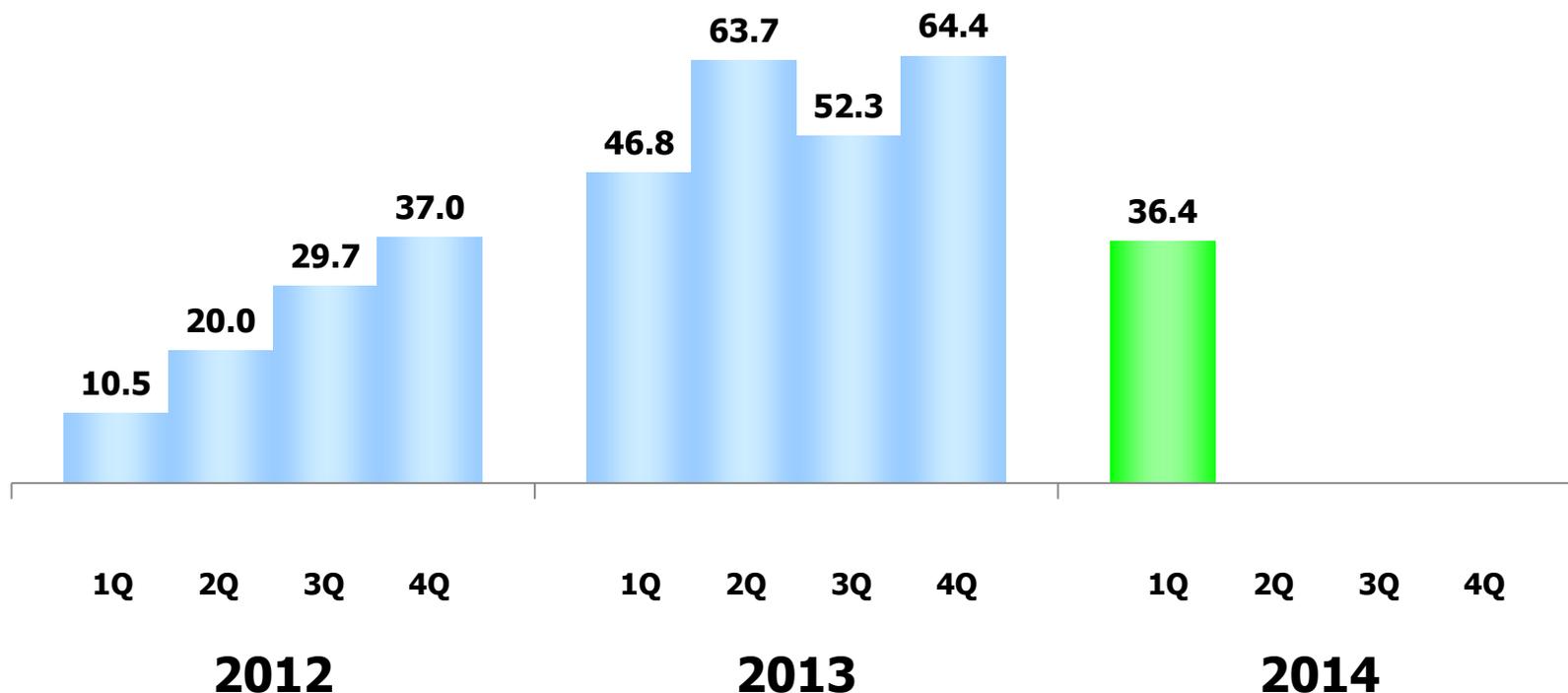
Net Sales	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Discrete	36.6	35.2	1.4
System LSI	39.5	43.3	-3.8
Memory	177.7	204.7	-27.0
Semiconductor Total	253.8	283.2	-29.4
Storage Products	114.8	106.3	8.5

Operating Income (loss)	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Semiconductor & Storage Products Total	36.4	46.8	-10.4

Semiconductor & Storage Products Business

Quarterly Trend in Operating Income (Loss)

(Yen in billions)



※ The figure for the first quarter of each fiscal year is after a change in the method of allocating corporate expenses to the segments.

The figures for the second to fourth quarters of each fiscal year is before the change in the method of allocating corporate expenses to the segments.

Lifestyle Products & Services, FY2014 1Q

- The PC business saw positive operating income in FY2014 1Q.
- The operating loss of the TV business decreased significantly as a result of restructuring implemented last fiscal year. The business environment remains severe, and additional measures will be taken to ensure stable profitability, regardless of the amount of sales.
- The Home Appliances business has maintained positive operating income for three consecutive quarters since FY2013 3Q, showing a profitable trend.

(Yen in billions)

Net Sales	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
PC	167.6	155.5	12.1
TV	47.5	49.3	-1.8
Home Appliances	56.8	57.3	-0.5

Operating Income (loss)	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Lifestyle Products & Services Total	-3.3	-24.9	21.6

Non-Operating Income (Loss) and Expenses

(Yen in billions)

	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Net financial income (loss)	-6.1	-5.4	-0.7
Foreign exchange income (loss)	-2.4	7.5	-9.9
Income (loss) on sales of fixed assets	-3.0*	0	-3.0
Equity in earnings of affiliates	2.0	1.0	1.0
Structural reform costs	-3.1	-1.1	-2.0
Others	-9.6	-8.7	-0.9
Total	-22.2	-6.7	-15.5

* Including expenses taken to demolish Fab 2 at Yokkaichi Operations

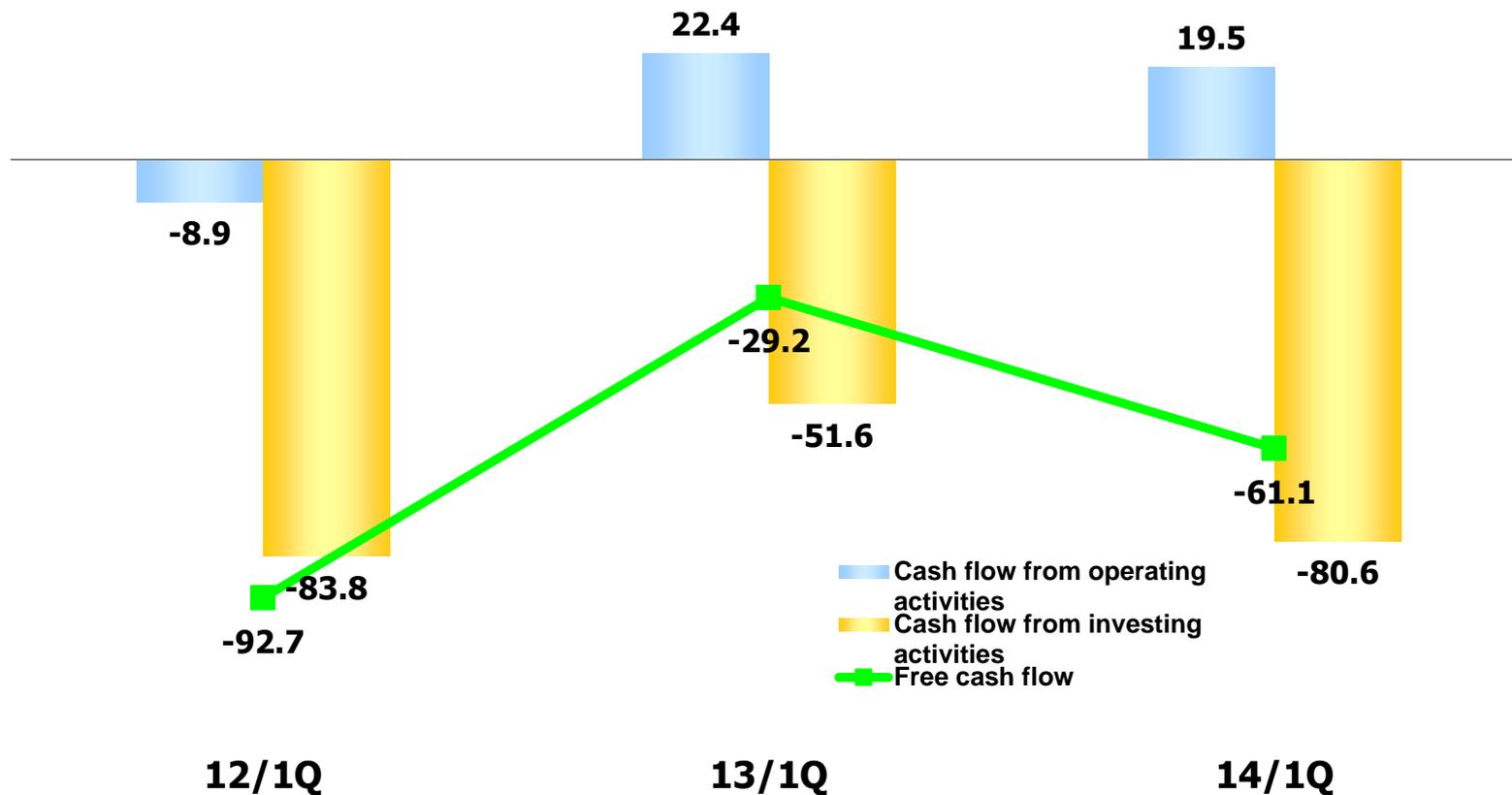
Income Tax and Net Income (Loss) Attributable to Noncontrolling Interests

(Yen in billions)

	FY14/1Q	FY13/1Q	Difference
			vs FY13/1Q
Income (loss) before income taxes and noncontrolling interests	17.3	18.4	-1.1
Income tax	-6.9	-6.9	0
Loss from discontinued operations	0	-1.1	1.1
Net income (loss) attributable to noncontrolling interests	-1.5	-5.1	3.6
Net income (loss)	8.9	5.3	3.6

Cash Flows, FY2014 1Q

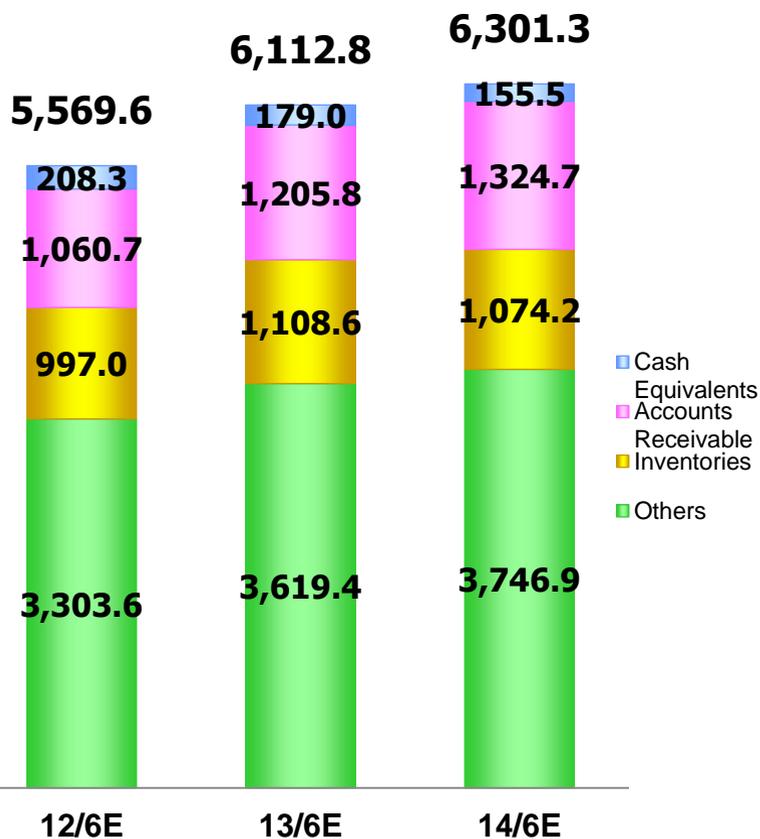
(Yen in billions)



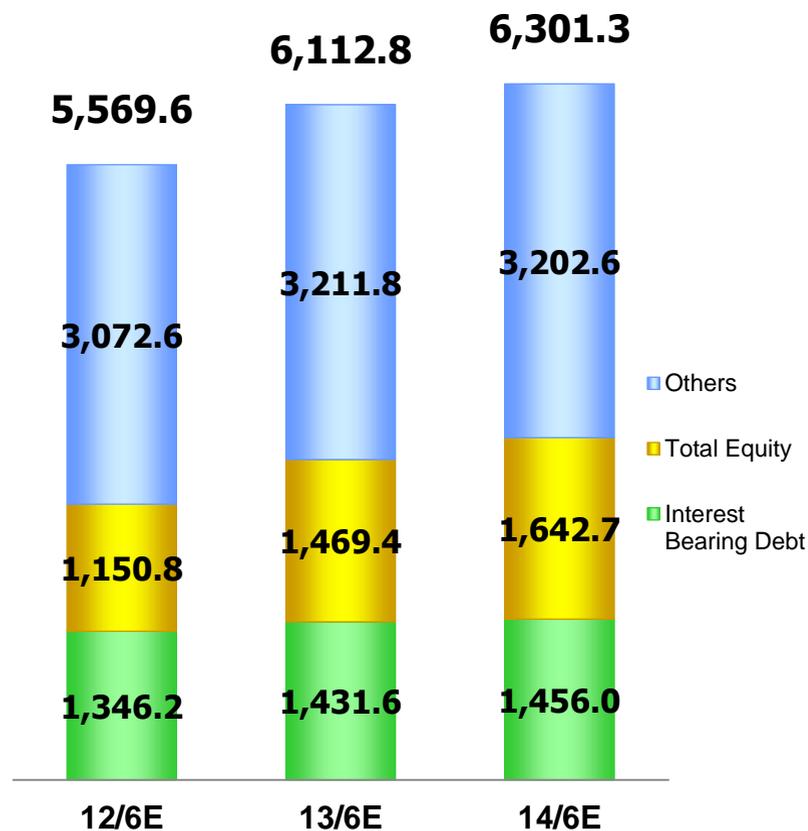
Consolidated Balance Sheets

(Yen in billions)

Assets



Liabilities and Equity



Total Equity

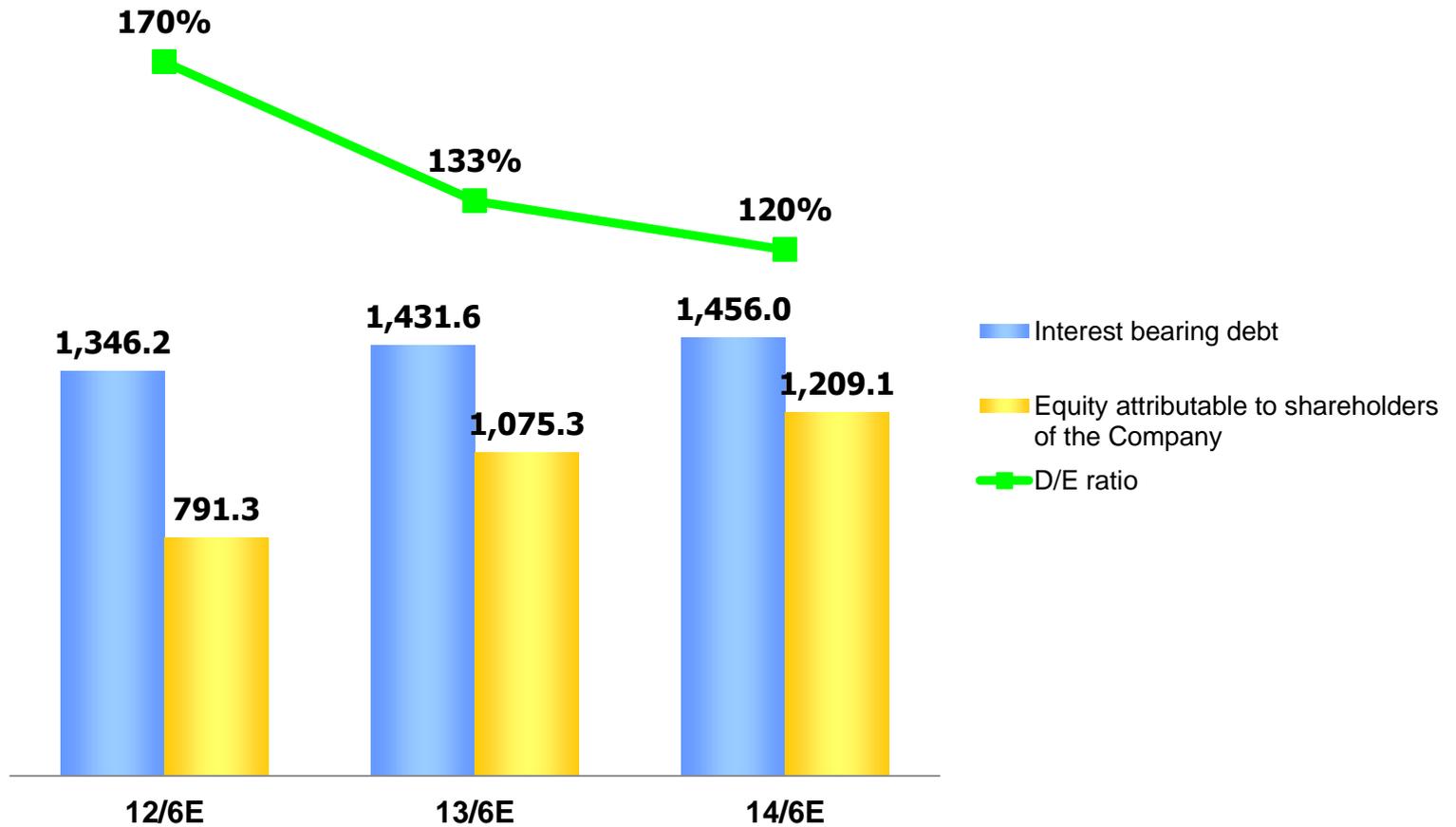
(Yen in billions)

	14/6E	14/3E	13/6E	Difference	
				vs 14/3E	vs 13/6E
Common stock	439.9	439.9	439.9	0	0
Additional paid-in capital	404.3	404.6	404.2	-0.3	0.1
Retained earnings	644.4	652.4	623.8	-8.0	20.6
Accumulated other comprehensive loss	-277.8	-266.1	-391.0	-11.7	113.2
Treasury stock	-1.7	-1.7	-1.6	0	-0.1
Equity attributable to shareholders of the Company	1,209.1	1,229.1	1,075.3	-20.0	133.8
Equity attributable to noncontrolling interests	433.6	423.2	394.1	10.4	39.5
Total equity	1,642.7	1,652.3	1,469.4	-9.6	173.3

Equity attributable to shareholders of the Company / Total assets ratio	19.2%	19.7%	17.6%	-0.5%	1.6%
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D/E Ratio

(Yen in billions)



FY2014 Forecast, Overall

Toshiba Group's projections for FY2014 consolidated results remain unchanged from those announced on May 8, 2014.

(Yen in billions)

	FY14	FY13	Difference
	Forecast	Actual	vs FY13
Net sales	6,700.0	6,502.5	197.5
Operating income (loss)	330.0	290.8	39.2
%	4.9%	4.5%	0.4%
Income (loss) before income taxes and noncontrolling interests	250.0	180.9	69.1
%	3.7%	2.8%	0.9%
Net income (loss)	120.0	50.8	69.2
%	1.8%	0.8%	1.0%
Earnings (losses) per share attributable to shareholders of the Company	¥28.34	¥12.00	¥16.34

Segment FY14 Forecast

Toshiba Group's projections for FY2014 consolidated results remain unchanged from those announced on May 8, 2014.

Net Sales	FY14 Forecast	FY13 Actual	Difference
			vs FY13
Energy & Infrastructure	1,950.0	1,812.2	137.8
Community Solutions	1,410.0	1,357.4	52.6
Healthcare Systems & Services	440.0	410.8	29.2
Electronic Devices & Components	1,710.0	1,693.4	16.6
Lifestyle Products & Services	1,310.0	1,313.8	-3.8
Others	550.0	504.0	46.0
Total	6,700.0	6,502.5	197.5

(Yen in billions)

Operating Income (loss)	FY14 Forecast	FY13 Actual	Difference
			vs FY13
Energy & Infrastructure	70.0	32.3	37.7
%	3.6%	1.8%	1.8%
Community Solutions	58.0	51.9	6.1
%	4.1%	3.8%	0.3%
Healthcare Systems & Services	30.0	28.6	1.4
%	6.8%	7.0%	-0.2%
Electronic Devices & Components	180.0	238.5	-58.5
%	10.5%	14.1%	-3.6%
Lifestyle Products & Services	3.0	-51.0	54.0
%	0.2%	-3.9%	4.1%
Others	-6.0	-8.7	2.7
%	-1.1%	-1.7%	0.6%
Total	330.0	290.8	39.2
%	4.9%	4.5%	0.4%

※ The figures for the FY14 Forecast and FY13 Actual are before the change in the method for allocating corporate expenses to the segments.

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