## <u>Toshiba Announces Consolidated Results</u> for the First Quarter of Fiscal Year Ending March 2007

TOKYO--Toshiba Corporation today announced its consolidated results for the first quarter (April-June) of fiscal year (FY) 2006 ending March 2007.

#### Overview

The Japanese economy recovered in this period as capital expenditures increased on solid corporate profitability and employment levels improved, though concerns for unemployment still remained. Overseas, economic expansion continued in the US, while consumer spending saw slower growth, and Europe saw gradual recovery. In Asia, China and other countries continued their economic expansion.

In these circumstances, all business segments posted increased sales and improved income (loss) from a year earlier period, as a result of business development grounded in the Group strategy of achieving high growth with steady profitability. Toshiba's overall consolidated sales for the period were 1,452.8 billion yen (US\$12,633.0 million), an increase of 154.0 billion yen from the same period of the previous year. Consolidated operating income improved by 22.7 billion yen from the year earlier period to 20.8 billion yen (US\$181.2 million). Income before income taxes and minority interest was 21.9 billion yen (US\$190.3 million), an improvement of 25.5 billion yen from the same period a year ago, largely on improved operating income and increased equity in earnings of affiliates. Net income improved by 12.9 billion yen from the same period of the previous year to 4.0 billion yen (US\$35.1 million). Net income turned to profit for the first time in the first quarter since Toshiba started to report quarterly business results.

### Consolidated Results for the First Quarter FY2006 by Segment

(billion yen)

		Net Sales	Operating (Lo		
		Cha	nge <sup>*</sup>		Change*
Digital Products	623.4	+104.8	+20%	1.9	+1.3
Electronic Devices	323.5	+28.9 +10%		15.8	+5.2
Social Infrastructure	368.7	+6.8	+2%	2.8	+12.8
Home Appliances	174.9	+13.7	+8%	-2.5	+2.2
Others	86.7	+5.2	+6%	3.2	+1.7
Eliminations	-124.4			-0.4	-
Total	1,452.8	+154.0	+12%	20.8	+22.7

(\* Change from the year-earlier period)

## **Digital Products:** Increased Sales and Increased Operating Income

Sales of Digital Products rose from the same period a year ago, on increased sales by the PC business and by the Digital Media Networks business mainly in TVs. Segment operating income increased from the year-earlier period, as the Mobile Phone business and storage devices posted strong performances and TVs improved, despite a weak performance in the PC business.

### **Electronic Devices:** Increased Sales and Increased Operating Income

The Semiconductor business saw increased sales against the previous year, mainly in NAND flash memories. The LCD business also saw a sales increase, on higher sales of LCDs for mobile product applications. Segment operating income increased from the year-earlier period, on higher profitability in discrete semiconductor devices and improved performance in system LSIs, though the segment saw price decline in NAND flash memories.

Social Infrastructure: Increased Sales and Operating Income (Loss) Turned to Profit Segment sales increased slightly from the same period of the previous year, as a result of increased sales by the Medical Systems business, mainly on continuing strong sales of CT scanner systems, and higher sales of broadcasting systems in the Social Infrastructure Systems business, though the Power Systems business saw decreased sales. Segment operating income (loss) improved from the year-earlier period, on improved performance in broadcasting systems and in the Medical Systems business. The segment posted a first-quarter profit for the first time since Toshiba started to report quarterly business results.

Note: As of April 1 2006, in-house companies of the Company, Industrial and Power Systems & Services Company and Social Network & Infrastructure Systems Company, were reorganized

as Power Systems Company, which undertakes the power plant equipment business, Industrial Systems Company, which undertakes industrial systems for the private sector, and Social Infrastructure Systems Company, which mainly undertakes public sector infrastructure systems.

**Home Appliances:** Increased Sales and Improved Operating Loss

Sales of Home Appliances increased against the year-earlier period, on higher sales of refrigerators and backlight for LCDs. The segment also improved its operating loss.

**Others:** Increased Sales and Increased Operating Income

### Financial Position and Cash Flows for the First Quarter of FY2006

Total assets increased by 117.1 billion yen from the end of March 2006 to 4,844.2 billion yen (US\$42,123.3 million), mainly on increased cash equivalents, the result of preparation of funds to carry forward the acquisition of Westinghouse.

Shareholders' equity decreased by 13.1 billion yen to 989.1 billion yen (US\$8,600.9 million) from the end of March 2006, despite net income of 4.0 billion yen. This decrease largely reflects a dividend payment of 11.2 billion yen, a 3.9 billion yen decrease in unrealized gains on securities due to a downturn in the Tokyo stock market, and a 4.7 billion yen deterioration in foreign currency translation adjustments, primarily the result of yen appreciation against the US dollar in the period compared to the beginning of the first quarter of FY2006.

Total debt increased by 262.4 billion yen from the end of March 2006 to 1,179.9 billion yen (US\$10,260.1 million), mainly as a result of continuing fund preparation for the acquisition of Westinghouse.

As a result of the foregoing, the debt-to-equity ratio as of the end of June 2006 was 119%, a 27-point deterioration since the end of March 2006.

Free cash flow was minus 106.3 billion yen, a decrease of 105.1 billion yen from the year-earlier period, mainly due to proactive investment to the Semiconductor business and investment and loan to affiliates accounted by the equity method.

### **Projections for FY2006**

Toshiba Group's businesses are proceeding as originally anticipated, despite adverse conditions that include high crude oil prices and price decline in NAND flash memories. Several factors, including a rise in interest rates and concerns about a slowdown in the US economy, introduce uncertainties into discerning overall economic trends. In these circumstances, Toshiba's business projections for the first half and the full-year of FY2006 remain unchanged from the projections announced on April 28, 2006.

#### **Disclaimer:**

This report of business results contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on management's assumptions and beliefs in light of the economic, financial and other data currently available. Furthermore, they are subject to a number of risks and uncertainties. Toshiba therefore wishes to caution readers that actual results may differ materially from our expectations. Major risk factors that may have a material influence on results are indicated below, though this list is not necessarily exhaustive.

- Success or failure of alliances or joint ventures promoted in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political and economic conditions in Japan and abroad; unexpected regulatory changes;
- Major disasters, including earthquakes and typhoons;
- Rapid changes in the supply/demand situations in major markets and intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market:
- Changes in financial markets, including fluctuations in interest rates and exchange rates.

#### Note:

For convenience only, all dollar figures used in reporting fiscal year 2006 first quarter results are valued at 115 yen to the dollar.

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# Toshiba Corporation and its Subsidiaries

# **Consolidated Financial Statements**

For the First Quarter ended June 30, 2006

# **First Quarter Results**

(¥ in billions, US\$ in millions, except for earnings per share)

		Three mon	ths ended	June 30	
	2006(A)	2005(B)	(A)-(B)	(A)/(B)	2006
Net sales	¥1,452.8	¥1,298.8	¥154.0	112%	\$12,633.0
Operating income (loss)	20.8	(1.9)	22.7	_	181.2
Income (loss) before income taxes and minority interest	21.9	(3.6)	25.5	_	190.3
Net income (loss)	4.0	(8.9)	12.9	_	35.1
Basic earnings per share	¥1.26	¥(2.77)	¥4.03		\$0.01
Diluted earnings per share	¥1.16	_	_		\$0.01

#### Notes:

- 1) Consolidated Financial Statements are based on generally accepted accounting principles in the U.S.
- 2) The company has 371 consolidated subsidiaries.
- 3) The U.S.dollar is valued at ¥115 throughout this statement for convenience only.
- 4) The figures in the Consolidated Financial Statements are unaudited.

# **Comparative Consolidated Statements of Operations**

First Quarter ended June 30

(¥ in millions, US\$ in thousands)

		Three mon	ths ended	June 30	
	2006(A)	2005(B)	(A)-(B)	(A)/(B)	2006
Sales and other income					
Net sales	¥1,452,796	¥1,298,834	¥153,962	112%	\$12,633,009
Interest	3,105	1,408	1,697	221%	27,000
Dividends	1,929	2,787	(858)	69%	16,774
Other income	16,489	11,284	5,205	146%	143,383
Costs and expenses					
Cost of sales	1,071,077	965,679	105,398	111%	9,313,713
Selling, general and administrative	360,879	335,009	25,870	108%	3,138,079
Interest	6,418	5,616	802	114%	55,809
Other expense	14,059	11,600	2,459	121%	122,252
Income (loss) before income taxes and minority interest	21,886	(3,591)	25,477	_	190,313
Income taxes	15,527	4,832	10,695	321%	135,017
Minority interest in income (loss) of consolidated subsidiaries	2,318	497	1,821	466%	20,157
Net income (loss)	¥4,041	¥(8,920)	¥12,961	_	\$35,139

Note: Comprehensive loss for the first quarter of FY2006 was \$1,697 million, and comprehensive income for the first quarter of FY2005 was \$1,049 million.

# **Comparative Consolidated Balance Sheets**

(¥ in millions, US\$ in thousands)

	I 20 2000	III IIIIIIIOII3, CE		
	June 30, 2006 (A)	March 31, 2006	(A)- $(B)$	June 30, 2006
Assets	(A)	(B)		
	V2 746 912	¥2,646,616	¥100,196	\$22 995 222
Current assets	¥2,746,812	, ,	·	\$23,885,322
Cash and cash equivalents	402,901	270,921	131,980	3,503,487
Notes and accounts receivable, trade	1,047,726	1,254,480	(206,754)	9,110,661
Inventories	803,929	664,922	139,007	6,990,687
Prepaid expenses and other current assets	492,256	456,293	35,963	4,280,487
Long-term receivables	17,189	18,883	(1,694)	149,470
Investments	482,318	468,858	13,460	4,194,070
Property, plant and equipment	1,189,891	1,176,550	13,341	10,346,878
Other assets	407,969	416,206	(8,237)	3,547,556
Total assets	¥4,844,179	¥4,727,113	¥117,066	\$42,123,296
Liabilities and shareholders' equity				
Current liabilities	¥2,553,627	¥2,408,970	¥144,657	\$22,205,452
Short-term borrowings and current portion of long-term debt	583,423	306,088	277,335	5,073,243
Notes and accounts payable, trade	1,026,524	1,100,622	(74,098)	8,926,296
Other current liabilities	943,680	1,002,260	(58,580)	8,205,913
Accrued pension and severance costs	470,109	474,198	(4,089)	4,087,904
Long-term debt and other liabilities	668,796	683,455	(14,659)	5,815,618
Minority interest in consolidated subsidiaries	162,548	158,325	4,223	1,413,461
Shareholders' equity	989,099	1,002,165	(13,066)	8,600,861
Common stock	274,926	274,926	0	2,390,661
Additional paid-in capital	285,746	285,743	3	2,484,748
Retained earnings	562,870	570,080	(7,210)	4,894,522
Accumulated other comprehensive income (loss)	(132,247)	(126,509)	(5,738)	(1,149,974)
Treasury stock	(2,196)	(2,075)	(121)	(19,096)
Total liabilities and shareholders' equity	¥4,844,179	¥4,727,113	¥117,066	\$42,123,296
Breakdown of accumulated other comprehensive inco	ome (loss)			
Unrealized gains (losses) on securities	¥53,247	¥57,246	¥(3,999)	\$463,017
Foreign currency translation adjustments	(36,674)	(32,019)	(4,655)	(318,904)
Minimum pension liability adjustment	(150,937)	(151,351)	414	(1,312,496)
Unrealized gains (losses) on derivative instruments	2,117	(385)	2,502	18,409
Total debt	¥1,179,913	¥917,518	¥262,395	\$10,260,113

# **Comparative Consolidated Statements of Cash Flows**

# First Quarter ended June 30

(¥ in millions, US\$ in thousands)

	Three months ended June 30				
	2006(A)	2005(B)	(A)-(B)	2006	
Cash flows from operating activities					
Net income (loss)	¥4,041	¥(8,920)	¥12,961	\$35,139	
Depreciation and amortization	61,556	57,060	4,496	535,270	
Equity in (earnings) losses of affiliates, net of dividends	17	3.400	(3,392)	148	
Decrease in notes and accounts receivable, trade	206,967	141,722	65,245	1,799,713	
Increase in inventories	(139,214)	(116,307)	(22,907)	(1,210,556)	
Decrease in notes and accounts payable, trade	(71 669)	(36,630)	(35,039)	(623,209)	
Others	(44,246)	6.940	(51,186)	(384,748)	
Adjustments to reconcile net income to net cash provided by operating activities	13,411	56,194	(42,783)	116,618	
Net cash provided by operating activities	17,452	47,274	(29,822)	151,757	
Cash flows from investing activities					
Proceeds from sale of property and securities	12,760	20,484	(7,724)	110,957	
Acquisition of property, plant and equipment	(76,581)	(64,484)	(12,097)	(665,922)	
Purchase of securities	(1,574)	(1,084)	(490)	(13,687)	
Increase in investments in affiliates	(45,047)	(848)	(44,199)	(391,713)	
Others	(13,266)	(2,564)	(10,702)	(115,357)	
Net cash used in investing activities	(123,708)	(48,496)	(75,212)	(1,075,722)	
Cash flows from financing activities					
Proceeds from long-term debt	5,217	1,514	3,703	45,365	
Repayment of long-term debt	(12,382)	(117,977)	105,595	(107,669)	
Increase in short-term borrowings, net	261,250	133,628	127,622	2,271,739	
Dividends paid	(12,289)	(9,351)	(2,938)	(106,861)	
Others	(3,205)	(2,494)	(711)	(27,870)	
Net cash provided by financing activities	238,591	5,320	233,271	2,074,704	
Effect of exchange rate changes on cash and cash equivalents	(355)	1,761	(2,116)	(3,087)	
Net increase in cash and cash equivalents	131,980	5,859	126,121	1,147,652	
Cash and cash equivalents at beginning of the period	270,921	295,003	(24,082)	2,355,835	
Cash and cash equivalents at end of the period	¥402,901	¥300,862	¥102,039	\$3,503,487	

# **Industry Segment Information**

# First Quarter ended June 30

(¥ in millions, US\$ in thousands)

			Three mon	ths ended	June 30	
		2006(A)	2005(B)	(A)-(B)	(A)/(B)	2006
	Digital Decdusts	¥623,369	¥518,609	¥104,760	120%	\$5,420,600
	Digital Products	(40%)	(37%)	(3%)		
	Electronic Devices	323,478	294,609	28,869	110%	2,812,852
	Licetronic Devices	(21%)	(21%)	(-)		
	Social Infrastructure	368,681	361,865	6,816	102%	3,205,922
	Social Initiasiracture	(23%)	(25%)	(-2%)		
	Home Appliances	174,909	161,209	13,700	108%	1,520,948
Net sales	Tiome Tippinanees	(11%)	(11%)	(-)		
(Share of total sales)	Others	86,755	81,482	5,273	106%	754,391
		(5%)	(6%)	(-1%)		
	Total	1,577,192	1,417,774	159,418	111%	13,714,713
	1000	(100%)	(100%)			
	Eliminations	(124,396)	(118,940)	(5,456)		(1,081,704)
	Consolidated	¥1,452,796	¥1,298,834	¥153,962	112%	\$12,633,009
	Digital Products	¥1,917	¥635	¥1,282	302%	\$16,670
	Electronic Devices	15,863	10,572	5,291	150%	137,939
	Social Infrastructure	2,770	(10,023)	12,793	_	24,087
Operating	Home Appliances	(2,505)	(4,666)	2,161	_	(21,783)
income (loss)	Others	3,190	1,455	1,735	219%	27,739
	Total	21,235	(2,027)	23,262	_	184,652
	Eliminations	(395)	173	(568)	_	(3,435)
	Consolidated	¥20,840	¥(1,854)	¥22,694	_	\$181,217

Notes:

<sup>1)</sup> Segment information is based on Japanese accounting standards.

<sup>2)</sup> Segment sales totals include intersegment transactions.

# **Geographic Segment Information**

First Quarter ended June 30

(¥ in millions, US\$ in thousands)

			Three mon	ths ended	June 30	
		2006(A)	2005(B)	(A)-(B)	(A)/(B)	2006
	Ionon	¥1,263,416	¥1,129,657	¥133,759	112%	\$10,986,226
	Japan	(58%)	(64%)	(-6%)		
	Asia	508,357	312,776	195,581	163%	4,420,496
	11914	(24%)	(18%)	(6%)		
	North America	200,635	166,614	34,021	120%	1,744,652
		(9%)	(10%)	(-1%)		
NI. ( 1	Europe	166,061	129,650	36,411	128%	1,444,009
Net sales (Share of		(8%)	(7%)	(1%)	400	10 5 0 50
total sales)	Others	21,398	16,066	5,332	133%	186,069
		(1%)	(1%)	(-)	1220/	10 501 453
	Total	2,159,867	1,754,763	405,104	123%	18,781,452
		(100%)	(100%)			
	Eliminations	(707,071)	(455,929)	(251,142)		(6,148,443)
	Consolidated	¥1,452,796	¥1,298,834	¥153,962	112%	\$12,633,009
	Japan	¥24,237	¥(2,938)	¥27,175	_	\$210,756
	Asia	3,473	4,428	(955)	78%	30,200
	North America	(2,134)	604	(2,738)	_	(18,557)
Operating	Europe	(3,170)	(2,780)	(390)	_	(27,565)
income (loss)	Others	938	(131)	1,069	-	8,157
	Total	23,344	(817)	24,161	_	202,991
	Eliminations	(2,504)	(1,037)	(1,467)	_	(21,774)
	Consolidated	¥20,840	¥(1,854)	¥22,694	_	\$181,217

Notes:

<sup>1)</sup> Segment information is based on Japanese accounting standards.

<sup>2)</sup> Segment sales totals include intersegment transactions.

## **Net Sales by Region**

## First Quarter ended June 30

(¥ in millions, US\$ in thousands)

			Three mon	ths ended	June 30			
		2006(A)	2005(B)	(A)-(B)	(A)/(B)	2006		
Iomon		¥728,999	¥715,766	¥13,233	102%	\$6,339,122		
Japan		(50%)	(50%) (55%) (-5%)					
Oversons		723,797	583,068	140,729	124%	6,293,887		
Overseas		(50%)	(45%)	(5%)				
	Asia	274,773	227,596	47,177	121%	2,389,330		
	Asia	(19%)	(17%)	(2%)				
	North America	214,079	178,205	35,874	120%	1,861,557		
	Norui America	(15%)	(14%)	(1%)				
	Europa	179,923	139,369	40,554	129%	1,564,548		
	Europe	(12%)	(11%)	(1%)				
	Others	55,022	37,898	17,124	145%	478,452		
	Others	(4%)	(3%)	(1%)				
Net Sales		¥1,452,796	¥1,298,834	¥153,962	112%	\$12,633,009		
net sales		(100%)	(100%)					

#### Notes:

### \*Forward-looking Statement

This announcement 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.

<sup>1)</sup> Segment information is based on Japanese accounting standards.

<sup>2)</sup> Net sales by region is determined based upon the locations of the customers.

July 31, 2006

## Supplementary Data for First Quarter of FY2006 Consolidated Business Results

1.Outline (billion yen)

			First Quarter			Full Year	
		FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28
Net sales	Japan	693.8	715.7	729.0	3,259.8	3,382.1	3,250.0
	(YoY)	100%	103%	102%	96%	104%	96%
	Overseas	554.1	583.1	723.8	2,576.3	2,961.4	3,350.0
	(YoY)	132%	105%	124%	118%	115%	113%
	Total	1,247.9	1,298.8	1,452.8	5,836.1	6,343.5	6,600.0
	(YoY)	112%	104%	112%	105%	109%	104%
Operating	income (loss)	14.1	-1.9	20.8	154.8	240.6	265.0
,	oss) before income minority interest	0.3	-3.6	21.9	111.2	178.2	220.0
Net incom	e (loss)	-7.8	-8.9	4.0	46.0	78.2	90.0
Earnings p	per share (yen)						
	Basic	-2.42	-2.77	1.26	14.32	24.32	28.00
Diluted		-	-	1.16	13.53	22.44	25.83
Exchange	rate						
_	(Yen / US-Dollar)	109	108	114	108	113	110
	(Yen / Euro)	133	138	141	135	138	135

<sup>\*</sup> For the fiscal year ended March 31, 2006, equity in earnings of affiliates has been included in income (loss) before income taxes and minority interest. The presentation of other data has been reclassified accordingly.

2.Sales and Operating income (loss) by Industry Segment

(billion yen)

	-		First Quarter			Full Year	
		FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28
Digital	Products						
	Net sales	487.1	518.6	623.4	2,224.2	2,536.5	2,700.0
	Operating income (loss)	-10.6	0.6	1.9	7.3	20.9	35.0
	(%)	-2.2%	0.1%	0.3%	0.3%	0.8%	1.3%
Electro	nic Devices						
	Net sales	330.0	294.6	323.5	1,307.2	1,388.1	1,620.0
	Operating income (loss)	38.8	10.6	15.8	92.5	123.3	155.0
	(%)	11.7%	3.6%	4.9%	7.1%	8.9%	9.6%
Social	Infrastructure						
	Net sales	304.0	361.9	368.7	1,765.3	1,882.3	1,940.0
	Operating income (loss)	-15.8	-10.0	2.8	48.6	76.5	60.0
	(%)	-5.2%	-2.8%	0.8%	2.8%	4.1%	3.1%
Home .	Appliances						
	Net sales	155.9	161.2	174.9	661.0	687.5	710.0
	Operating income (loss)	-2.7	-4.7	-2.5	-3.3	2.7	5.0
	(%)	-1.7%	-2.9%	-1.4%	-0.5%	0.4%	0.7%
Others							
	Net sales	85.0	81.5	86.7	371.6	379.8	360.0
	Operating income (loss)	3.9	1.5	3.2	9.8	18.0	10.0
	(%)	4.6%	1.8%	3.7%	2.7%	4.7%	2.8%
Sub To	otal						
	Net sales	1,362.0	1,417.8	1,577.2	6,329.3	6,874.2	7,330.0
	Operating income (loss)	13.6	-2.0	21.2	154.9	241.4	265.0
Elimin							
	Net sales	-114.1	-119.0	-124.4	-493.2	-530.7	-730.0
	Operating income (loss)	0.5	0.1	-0.4	-0.1	-0.8	0.0
Total							
	Net sales	1,247.9	1,298.8	1,452.8	5,836.1	6,343.5	6,600.0
	Operating income (loss)	14.1	-1.9	20.8	154.8	240.6	265.0
	(%)	1.1%	-0.1%	1.4%	2.7%	3.8%	4.0%

### 3. Investment

(billion yen)

		Full Year		
	FY2004	FY2005	FY2006 4/28	
Capital expenditures (Commitment Basis)	372.1	464.2	644.0	
R&D expenditures	348.0	372.4	390.0	

<sup>\*</sup> Capital expenditure of Flash Vision, Flash Partners and SED, counted as equity method, is included in these figures.

4. Personal Computer Sales and Operating income (loss)

(billion yen)

		First Quarter			Full Year		
		FY2004	FY2005	FY2006	FY2004   FY2005		FY2006 4/28
Net sal	es	162.0	166.9	206.1	760.2 852.7		880.0
	YoY	114%	103%	103% 123%		112%	103%
Operat	ing income (loss)	-3.6	2.3	0.4	4 8.1 3.4		7.0

5. Semiconductor Sales, Operating income (loss) and Capital expenditures

(billion yen)

		First Quarter			Full Year			
		FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28	
Net sales		231.4	221.5	246.6	938.9	1,037.0	1,250.0	
	YoY	120%	96%	111%	104%	110%	121%	
	Discrete	-	-	-	227.6	221.7	228.9	
	System LSI	-	-	-	443.6	458.5	516.2	
	Memory	-	-	-	267.7	356.8	504.9	
Operating income (loss)		36.9	14.8	20.0	82.7	134.0	165.0	
Capital expenditures (Commitment Basis)		-	-	-	203.0	289.0	354.0	

<sup>\*</sup> Capital expenditure of Flash Vision, Flash Partners and SED, counted as equity method, is included in these figures.

6. LCD Sales, Operating income (loss) and Capital expenditures

(billion yen)

		First Quarter			Full Year			
		FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28	
Net sales		79.8	61.2	72.1	298.8	299.7	320.0	
	YoY	118%	77%	118%	105%	100%	107%	
Operating income (loss)		4.4	-1.2	-0.7	13.5	4.0	6.0	
Capital expenditures (Commitment Basis)		-	-	-	47.0	30.0	20.0	

## 7. Power, Industrial, Social Infrastructure Systems Sales and Operating income (loss)

(billion yen)

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		First Quarter			Full Year			
		FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28	
Net sales		182.1	239.1	245.7	1,098.6	1,231.5	1,280.0	
	YoY	-	131%	103%	-	112%	104%	
Operating income (loss)		-9.0	-5.1	5.4	16.7	28.4	20.0	

<sup>\*</sup> As of April 1 2006, in-house companies of the Company, Industrial and Power Systems & Services Company and Social Network & Infrastructure Systems Company, were reorganized as Power Systems Company, which undertakes the power plant equipment business, Industrial Systems Company, which undertakes industrial systems for the private sector, and Social Infrastructure Systems Company, which mainly undertakes public sector infrastructure systems.

The figures above are the total of these three companies.

### **8. Medical Systems Sales**

(billion yen)

	First Quarter			Full Year		
	FY2004	FY2005	FY2006	FY2004	FY2005	FY2006 4/28
Net sales	48.1	58.0	64.1	299.1	341.7	357.0
YoY	-	121%	111%	-	114%	104%