## Toshiba Announces Consolidated Results 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 Income <br> (Loss) |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  |  | Change $^{*}$ |  |  | 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.

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 months 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 months 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) | $\pm 4,041$ | $¥(8,920)$ | $¥ 12,961$ | - | \$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)

|  | June 30, 2006 <br> (A) | March 31, 2006 <br> (B) | (A)-(B) | June 30, 2006 |
| :---: | :---: | :---: | :---: | :---: |
| Assets <br> Current assets | ¥2,746,812 | ¥2,646,616 | $¥ 100,196$ | \$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 | $\geq 2,553,627$ | $¥ 2,408,970$ | $¥ 144,657$ | \$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 capin........................... | 285,746 | 285,743 | 3 | 2,484,748 |
| Retained earnings | 562,870 | 570,080 | $(7,210)$ | 4,894,522 |
| Accumulated other compre.................................................................................................................... | $(132,247)$ | $(126,509)$ | $(5,738)$ | $(1,149,974)$ |
| 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 income (loss) |  |  |  |  |
| :--- | ---: | ---: | ---: | ---: |
| Unrealized gains (losses) on securities | $\mathbf{¥ 5 3 , 2 4 7}$ | $¥ 57,246$ | $¥(3,999)$ | $\mathbf{\$ 4 6 3 , 0 1 7}$ |
| Foreign currency translation adjustments | $\mathbf{( 3 6 , 6 7 4 )}$ | $(32,019)$ | $(4,655)$ | $\mathbf{( 3 1 8 , 9 0 4 )}$ |
| Minimum pension liability adjustment | $\mathbf{( 1 5 0 , 9 3 7 )}$ | $(151,351)$ | 414 | $\mathbf{( 1 , 3 1 2 , 4 9 6 )}$ |
| Unrealized gains (losses) on derivative instruments | $\mathbf{2 , 1 1 7}$ | $(385)$ | 2,502 | $\mathbf{1 8 , 4 0 9}$ |
| Total debt | $\mathbf{¥ 1 , 1 7 9 , 9 1 3}$ | $¥ 917,518$ | $¥ 262,395$ | $\mathbf{\$ 1 0 , 2 6 0 , 1 1 3}$ |

## 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 | 3,409 | $(3,392)$ | 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 reconci........................................................................ 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 months ended June 30 |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 2006(A) | 2005(B) | (A)-(B) | (A)/(B) | 2006 |
| Net sales (Share of total sales) | Digital Products | $\begin{array}{r} ¥ 623,369 \\ (40 \%) \end{array}$ | $\begin{array}{r} ¥ 518,609 \\ (37 \%) \end{array}$ | $\begin{array}{r} ¥ 104,760 \\ (3 \%) \end{array}$ | 120\% | \$5,420,600 |
|  | Electronic Devices | $\begin{array}{r} \hline 323,478 \\ (21 \%) \\ \hline \end{array}$ | $\begin{array}{r} 294,609 \\ (21 \%) \end{array}$ | $\begin{array}{r} 28,869 \\ (-) \end{array}$ | 110\% | 2,812,852 |
|  | Social Infrastructure | $\begin{array}{r} 368,681 \\ (23 \%) \end{array}$ | $\begin{array}{r} 361,865 \\ (25 \%) \\ \hline \end{array}$ | $\begin{aligned} & 6,816 \\ & (-2 \%) \end{aligned}$ | 102\% | 3,205,922 |
|  | Home Appliances | $\begin{array}{r} \text { 174,909 } \\ (11 \%) \end{array}$ | $\begin{array}{r} 161,209 \\ (11 \%) \end{array}$ | 13,700 <br> (-) | 108\% | 1,520,948 |
|  | Others | $\begin{array}{r} 86,755 \\ (5 \%) \end{array}$ | $\begin{array}{r} 81,482 \\ (6 \%) \end{array}$ | $\begin{aligned} & 5,273 \\ & (-1 \%) \\ & \hline \end{aligned}$ | 106\% | 754,391 |
|  | Total | $\begin{array}{r} 1,577,192 \\ (100 \%) \\ \hline \end{array}$ | $\begin{array}{r} 1,417,774 \\ (100 \%) \end{array}$ | 159,418 | 111\% | 13,714,713 |
|  | Eliminations | $(124,396)$ | $(118,940)$ | $(5,456)$ | - | $(1,081,704)$ |
|  | Consolidated | ¥1,452,796 | $¥ 1,298,834$ | $¥ 153,962$ | 112\% | \$12,633,009 |
| Operating income (loss) | 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 |
|  | Home Appliances | $(2,505)$ | $(4,666)$ | 2,161 | - | $(21,783)$ |
|  | 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 | $\geq 20,840$ | $¥(1,854)$ | ¥22,694 | - | \$181,217 |

## Notes:

1) Segment information is based on Japanese accounting standards.
2) Segment sales totals include intersegment transactions.

## Geographic Segment Information

First Quarter ended June 30 (¥ in millions, US\$ in thousands)

|  |  | Three months ended June 30 |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 2006(A) | 2005(B) | (A)-(B) | (A)/(B) | 2006 |
| Net sales (Share of total sales) | Japan | $\begin{array}{r} ¥ 1,263,416 \\ (58 \%) \end{array}$ | $\begin{array}{r} ¥ 1,129,657 \\ (64 \%) \end{array}$ | $\begin{array}{r} ¥ 133,759 \\ (-6 \%) \end{array}$ | 112\% | \$10,986,226 |
|  | Asia | $\begin{array}{r} 508,357 \\ (24 \%) \end{array}$ | $\begin{array}{r} 312,776 \\ (18 \%) \end{array}$ | $\begin{array}{r} 195,581 \\ (6 \%) \end{array}$ | 163\% | 4,420,496 |
|  | North America | 200,635 <br> (9\%) | $166,614$ (10\%) | $\begin{array}{r} \hline 34,021 \\ (-1 \%) \end{array}$ | 120\% | 1,744,652 |
|  | Europe | $\begin{array}{r} 166,061 \\ (8 \%) \end{array}$ | $\begin{array}{r} 129,650 \\ (7 \%) \end{array}$ | $\begin{array}{r} 36,411 \\ (1 \%) \end{array}$ | 128\% | 1,444,009 |
|  | Others | $\begin{array}{r} 21,398 \\ (1 \%) \end{array}$ | $\begin{array}{r} 16,066 \\ (1 \%) \\ \hline \end{array}$ | 5,332 <br> (-) | 133\% | 186,069 |
|  | Total | $\begin{array}{r} 2,159,867 \\ (100 \%) \end{array}$ | $\begin{array}{r} 1,754,763 \\ (100 \%) \\ \hline \end{array}$ | 405,104 | 123\% | 18,781,452 |
|  | Eliminations | $(707,071)$ | $(455,929)$ | $(251,142)$ | - | $(6,148,443)$ |
|  | Consolidated | $¥ 1,452,796$ | $¥ 1,298,834$ | $¥ 153,962$ | 112\% | \$12,633,009 |
| Operating income (loss) | Japan | ¥24,237 | $¥(2,938)$ | ¥27,175 | - | \$210,756 |
|  | Asia | 3,473 | 4,428 | (955) | 78\% | 30,200 |
|  | North America | $(2,134)$ | 604 | $(2,738)$ | - | $(18,557)$ |
|  | Europe | $(3,170)$ | $(2,780)$ | (390) | - | $(27,565)$ |
|  | 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 | $\geq 20,840$ | $¥(1,854)$ | $¥ 22,694$ | - | \$181,217 |

## Notes:

1) Segment information is based on Japanese accounting standards.
2) Segment sales totals include intersegment transactions.

## Net Sales by Region

First Quarter ended June 30
( $¥$ in millions, US\$ in thousands)

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

Notes:

1) Segment information is based on Japanese accounting standards.
2) Net sales by region is determined based upon the locations of the customers.

## *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.

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 | $\begin{gathered} \hline \text { FY2006 } \\ 4 / 28 \\ \hline \hline \end{gathered}$ |
| 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 |
| Income (loss) before income taxes and minority interest |  | 0.3 | -3.6 | 21.9 | 111.2 | 178.2 | 220.0 |
| Net income (loss) |  | -7.8 | -8.9 | 4.0 | 46.0 | 78.2 | 90.0 |
| Earnings 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 |

* 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 | $\begin{gathered} \hline \text { FY2006 } \\ 4 / 28 \\ \hline \end{gathered}$ |
| 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\% |
| Electronic 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 |
| Home Appliances | -5.2\% | -2.8\% | 0.8\% | 2.8\% | 4.1\% | 3.1\% |
|  |  |  |  |  |  |  |
| 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 Total |  |  |  |  |  |  |
| 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 |
| Eliminations |  |  |  |  |  |  |
| 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 <br>  <br>  <br>  <br> Operating income (loss) <br> $(\%)$ |  |  |  |  |  |  |
|  | 1,247.9 | 1,298.8 | 1,452.8 | 5,836.1 | 6,343.5 | 6,600.0 |
|  | $\begin{aligned} & \hline 14.1 \\ & 1.1 \% \end{aligned}$ | $\begin{array}{r} -1.9 \\ -0.1 \% \\ \hline \end{array}$ | $\begin{aligned} & 20.8 \\ & 1.4 \% \\ & \hline \end{aligned}$ | $\begin{gathered} 154.8 \\ 2.7 \% \\ \hline \end{gathered}$ | $\begin{array}{r} 240.6 \\ 3.8 \% \\ \hline \end{array}$ | $\begin{array}{r} 265.0 \\ 4.0 \% \\ \hline \end{array}$ |

3. Investment
(billion yen)

|  | Full Year |  |  |
| :--- | ---: | ---: | ---: |
|  | FY2004 | FY2005 | FY2006 <br> $4 / 28$ |
| Capital expenditures (Commitment Basis) | 372.1 | 464.2 | 644.0 |
| R\&D expenditures | 348.0 | 372.4 | 390.0 |

[^0]4. Personal Computer Sales and Operating income (loss)
(billion yen)

|  | First Quarter |  |  | Full Year |  |  |
| :---: | ---: | ---: | ---: | ---: | ---: | ---: |
|  | FY2004 | FY2005 | FY2006 | FY2004 | FY2005 | FY2006 <br> 4/28 |
| Net sales | 162.0 | 166.9 | 206.1 | 760.2 | 852.7 | 880.0 |
|  | $114 \%$ | $103 \%$ | $123 \%$ | $109 \%$ | $112 \%$ | $103 \%$ |
| Operating income (loss) | -3.6 | 2.3 | 0.4 | 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 | $\begin{gathered} \hline \text { FY2006 } \\ 4 / 28 \\ \hline \end{gathered}$ |
| 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 |

* 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 <br> $4 / 28$ |
| Net sales | 79.8 | 61.2 | 72.1 | 298.8 | 299.7 | 320.0 |
|  | YoY | $118 \%$ | $77 \%$ | $118 \%$ | $105 \%$ | $100 \%$ |
| Operating income (loss) | 4.4 | -1.2 | -0.7 | 13.5 | 4.0 | 6.0 |
| Capital expenditures (Commitment Basis) |  | - |  |  | 47.0 | 30.0 |

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

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

* 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.



[^0]:    * Capital expenditure of Flash Vision, Flash Partners and SED, counted as equity method, is included in these figures

