

**Business Results
for
First Quarter of Fiscal Year2003**

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July 30, 2003

Forward-looking Statements

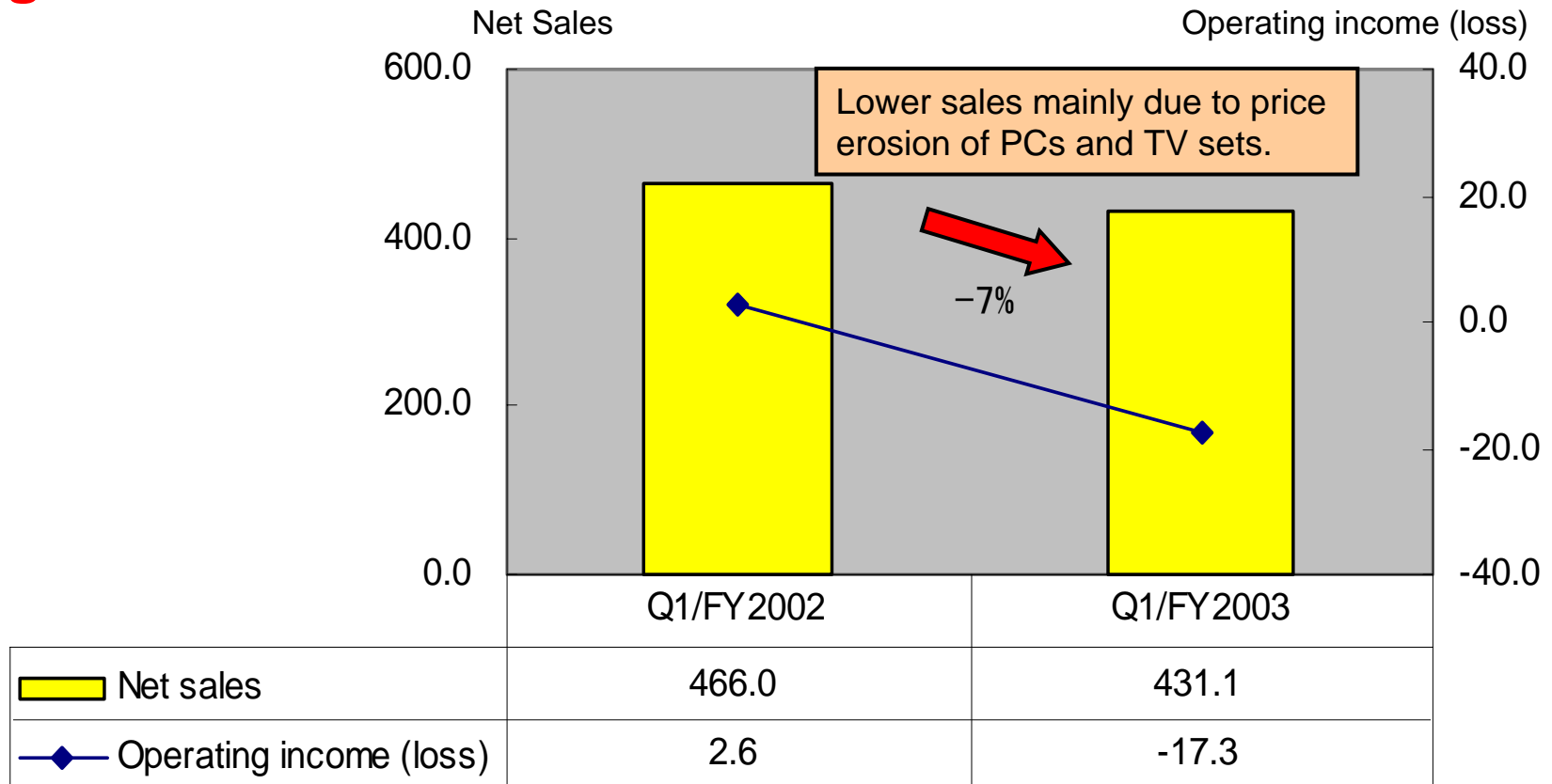
- This presentation contains forward-looking statements concerning Toshiba's future plans, strategies and performance.
- These forward-looking statements are not historical facts, rather they represent assumptions and beliefs based on economic, financial and competitive data currently available.
- Furthermore, they are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations and other factors. Toshiba therefore wishes to caution readers that actual results may differ materially from our expectations.
- The figures in this presentation are unaudited.

Outline

(¥ billion)

	Q1/FY2003	Q1/FY2002	YoY	
Net sales	1,117.2	1,191.1	(73.9)	94%
Operating income (loss)	(41.3)	(26.3)	(15.0)	-
Income (loss) before income taxes, minority interest and equity in earnings of affiliates	(50.9)	(33.3)	(17.6)	-
Net income (loss)	(36.8)	(18.8)	(18.0)	-
Basic earnings per share	(¥11.45)	(¥5.84)	(¥5.61)	

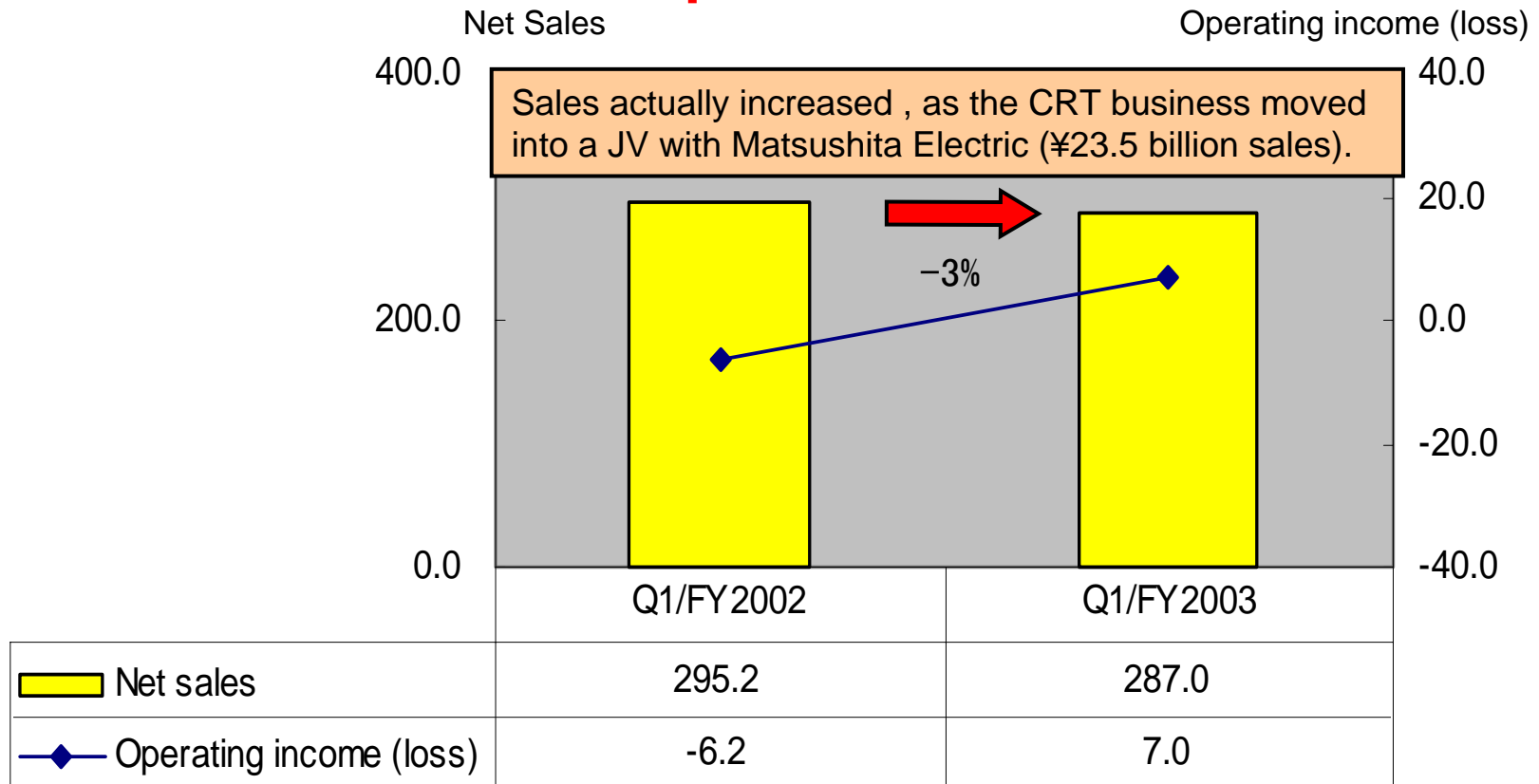
Digital Products



(¥ billion)

Share of total Q1/FY2003 sales: 34%

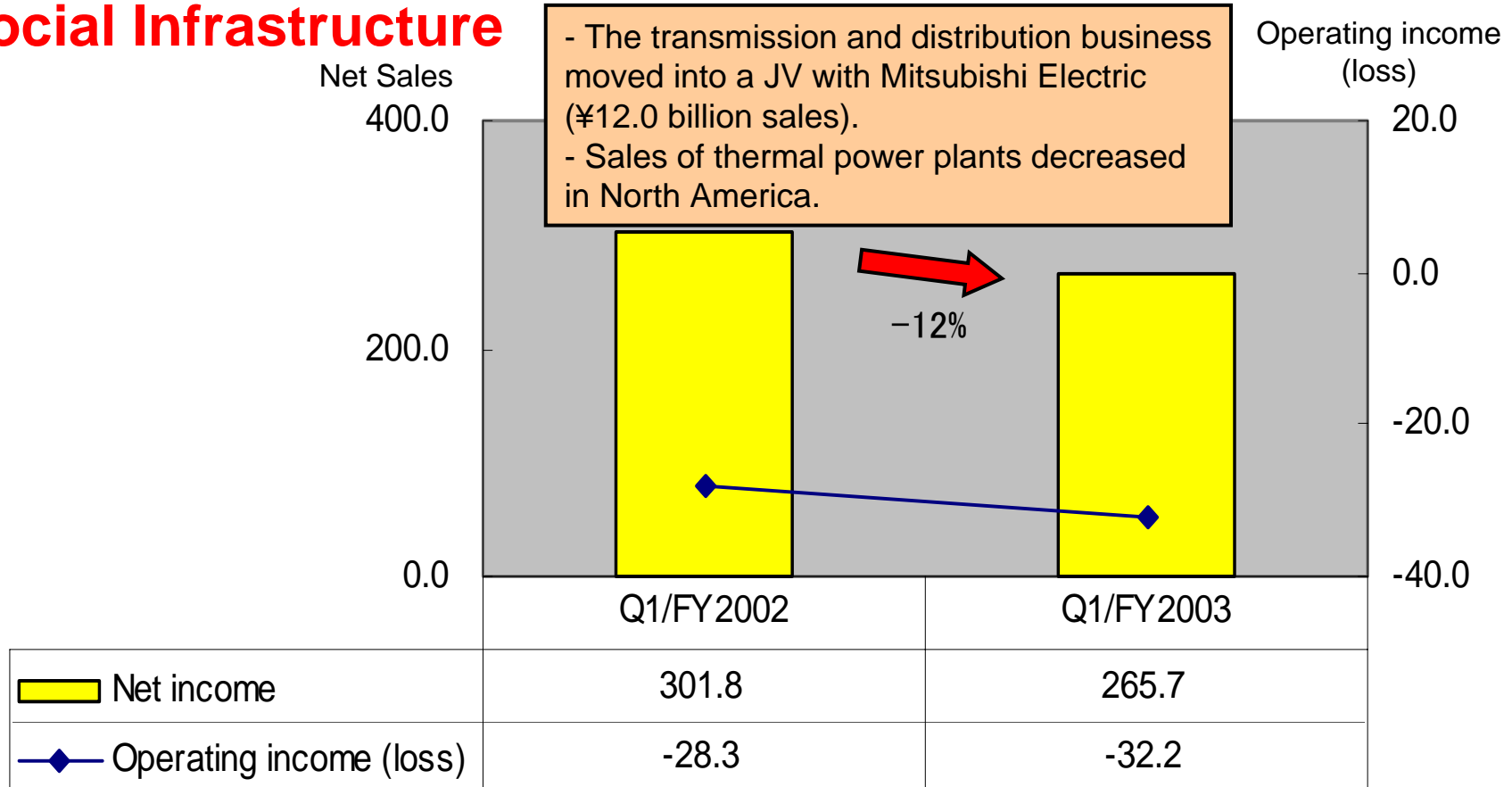
Electronic Devices & Components



(¥ billion)

Share of total Q1/FY2003 sales: 23%

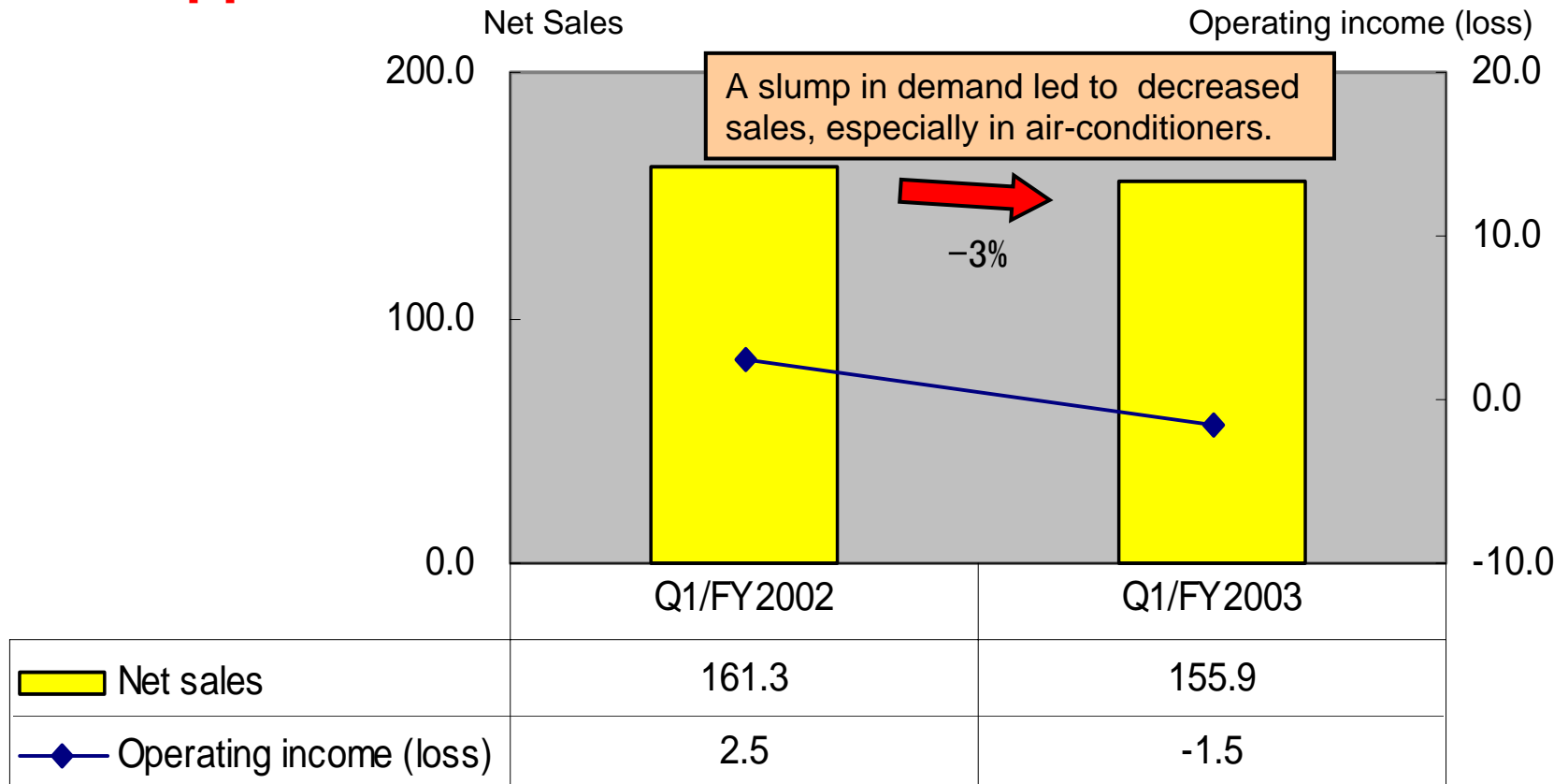
Social Infrastructure



(¥ billion)

Share of total Q1/FY2003 sales: 21%

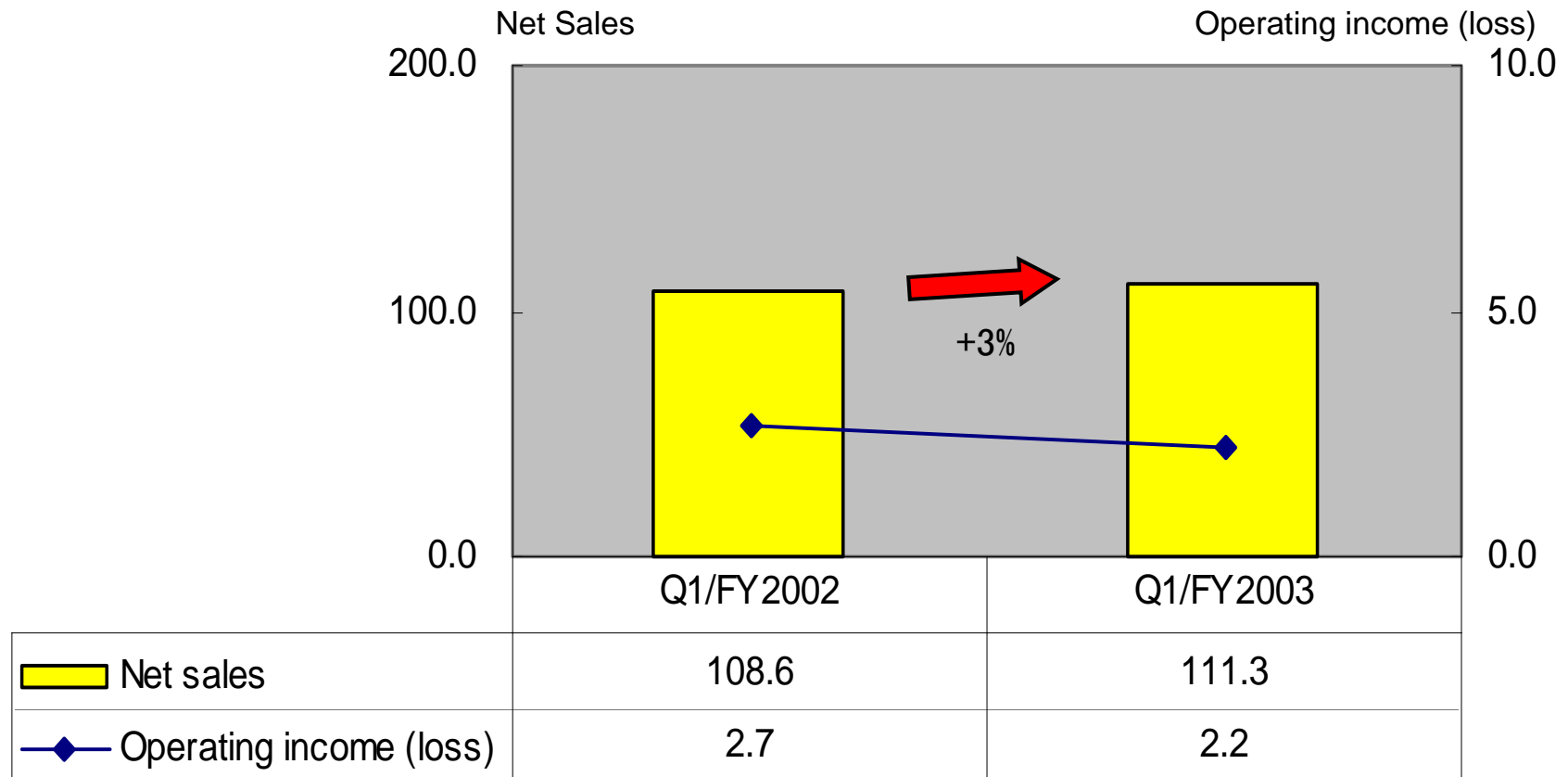
Home Appliances



(¥ billion)

Share of total Q1/FY2003 sales: 13%

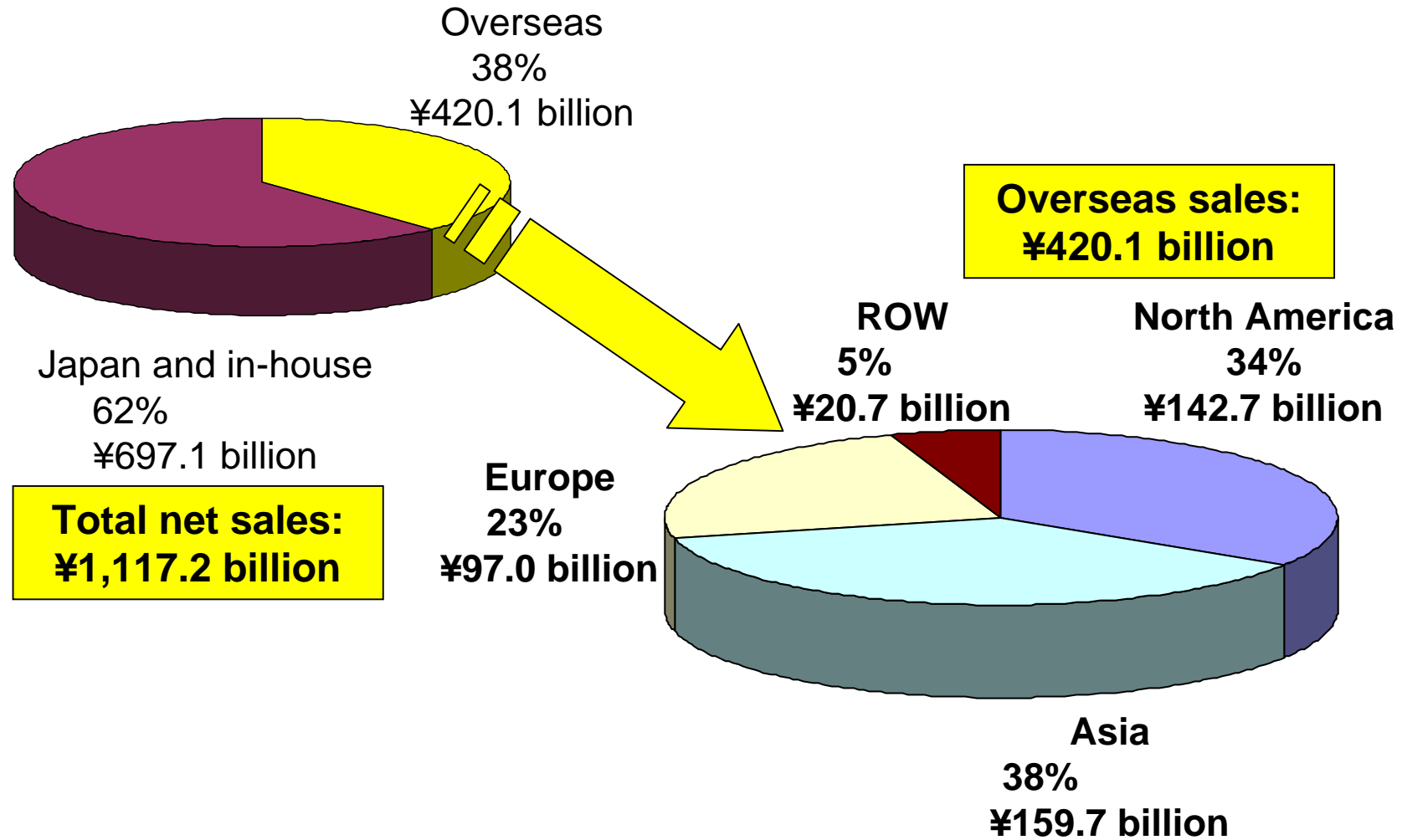
Others



(¥ billion)

Share of total Q1/FY2003 sales: 9%

Overseas Sales



Consolidated Statements of Operations

(¥ billion)

	Q1/FY2003	Q1/FY2002
Net Sales	1,117.2	1,191.1
Cost of sales	819.7	869.5
Gross margin	297.5	321.6
Selling, general and administrative	338.8	347.9
Operating income (loss)	(41.3)	(26.3)
Non-operating income (a)	10.0	15.5
Non-operating expense (b)	19.6	22.5
(a) + (b)	(9.6)	(7.0)
Income (loss) before income taxes, minority interest and equity in earnings of affiliates	(50.9)	(33.3)
Income taxes	(14.9)	(10.6)
Minority interest in income (loss) of consolidated subsidiaries	(1.2)	(0.1)
Equity in earnings of affiliates	(2.0)	3.8
Net income (loss)	(36.8)	(18.8)

Although cost reductions of ¥67 billion and increased profitability due to an improved product mix, price erosion amounted to -¥110 billion. Overall, ¥15 billion lower in total.

Consolidated Balance Sheets

(¥ billion)

	Jun. 30, 2003	Mar. 31, 2003
Assets		
Current assets	2,559.7	2,621.2
(Inventories)	778.2	629.7
Long-term receivables	21.1	27.1
Long-term finance receivables, net	238.0	260.4
Investments	415.7	396.0
Property, plant and equipment	1,184.2	1,199.3
Other assets	727.7	734.9
Total assets	5,146.4	5,238.9
Liabilities and shareholders' equity		
Current liabilities	2,557.0	2,618.8
Accrued pension and other liabilities	947.6	951.0
Long-term debt and other liabilities	922.8	922.1
Minority interest in consolidated subsidiaries	172.3	175.9
Shareholders' equity	546.7	571.1
Total liabilities and shareholders' equity	5,146.4	5,238.9

Accounts receivable were reduced by accelerated collection for those for FY2002 sales.

Increased advance preparation for FY2003 sales increased.

Debts and corporate bonds increased ¥11 billion, but the total is reduced, mainly by reduction of accounts payable.

Consolidated Statements of Cash Flows

(¥ billion)

	Q1/FY2003	Q1/FY2002
Cash flows from operating activities	45.1	9.3
Cash flows from investing activities	(48.4)	(33.3)
Net cash flow	(3.3)	(24.0)
Cash flows from financing activities	(0.9)	1.9
Effect of exchange rate changes on cash and cash equivalents	2.1	(7.7)
Net increase (decrease) in cash and cash equivalents	(2.1)	(29.8)
Cash and cash equivalents at beginning of the first quarter	327.1	370.4
Cash and cash equivalents at end of the first quarter	325.0	340.6

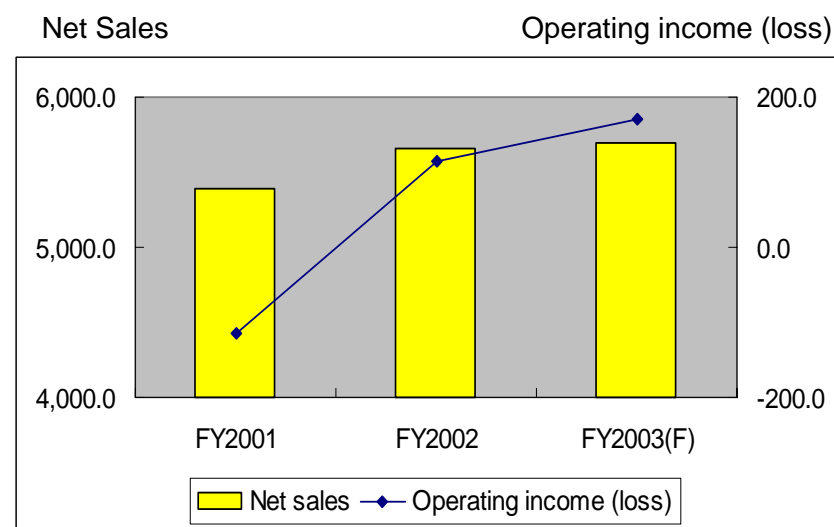
Although inventories went up, cash flow increased through accelerated collection of inventories.

Worsened, as in FY2002 cash was generated by the sales of equipment, due to the withdrawal from commodity DRAMs.

FY2003 Forecast (remains unchanged)

	FY2003 (Forecast)	FY2002 (Results)
Net sales	5,700.0	5,655.8
Y o Y	101%	105%
Operating income (loss)	170.0	115.5
Y o Y	147%	-
Income (loss) before income taxes, minority interest and equity in earnings of affiliates	90.0	53.1
Y o Y	169%	-
Net income	40.0	18.5
Y o Y	216%	-

(¥ billion)



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