

FY2005 First Half Consolidated Business Results

Sadazumi Ryu
Corporate Senior Executive Vice President
Toshiba Corporation

October 28, 2005

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 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.
- The figures in this presentation are not audited.
- Toshiba's fiscal year runs from April 1 to March 31.

FY2005 First Half Consolidated Business Results

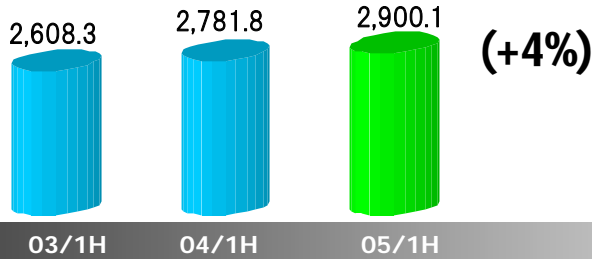
(¥ in billions, except earnings per share)

	1H FY2005	1H FY2004			Forecast As of July 28, 2005	
	(A)	(B)	(A) - (B)	(A) / (B)	(C)	(A) - (C)
Net sales	2,900.1	2,781.8	118.3	104%	2,880.0	20.1
Operating income (loss)	51.4	50.7	0.7	—	20.0	31.4
Income (loss) before income taxes and minority interest	42.1	* 21.6	20.5	—	10.0	32.1
Net income (loss)	14.6	8.4	6.2	—	0.0	14.6
Basic earnings per share	¥4.56	¥2.60	¥1.96	—	—	—

* Note: From FY2005, income (loss) before income taxes and minority interest includes equity in earnings of affiliates, which was not included until FY2004. The above comparison with the year-earlier period is based on the new accounting presentation.

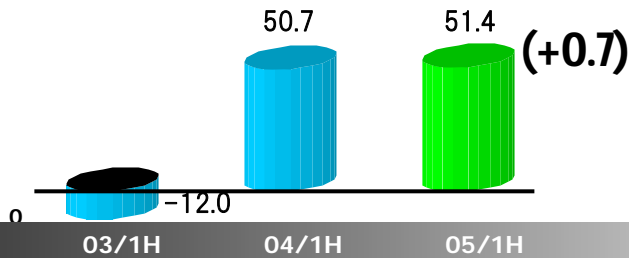
FY2005 First Half Results - Overview

(¥ in billions)



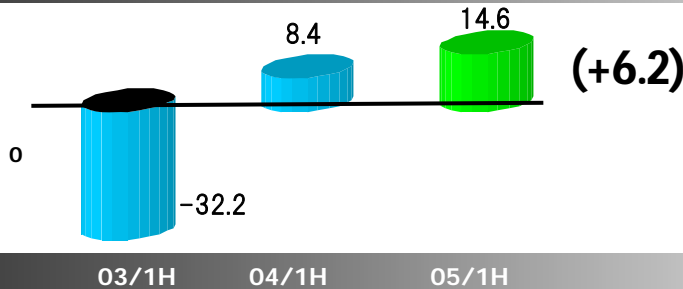
■ Digital Products, Social Infrastructure and Home Appliances recorded higher sales, while Electronic Devices and Others saw sales decrease.

Net sales



■ Digital Products, Social Infrastructure and Others saw improved operating income against the same period a year ago, while Electronic Devices and Home Appliances saw lower operating income.

Operating income (loss)



■ Reduced restructuring costs and increased equity in earnings of affiliates raised net income.

Net income (loss)

() = Year-earlier period comparison

Segment Information

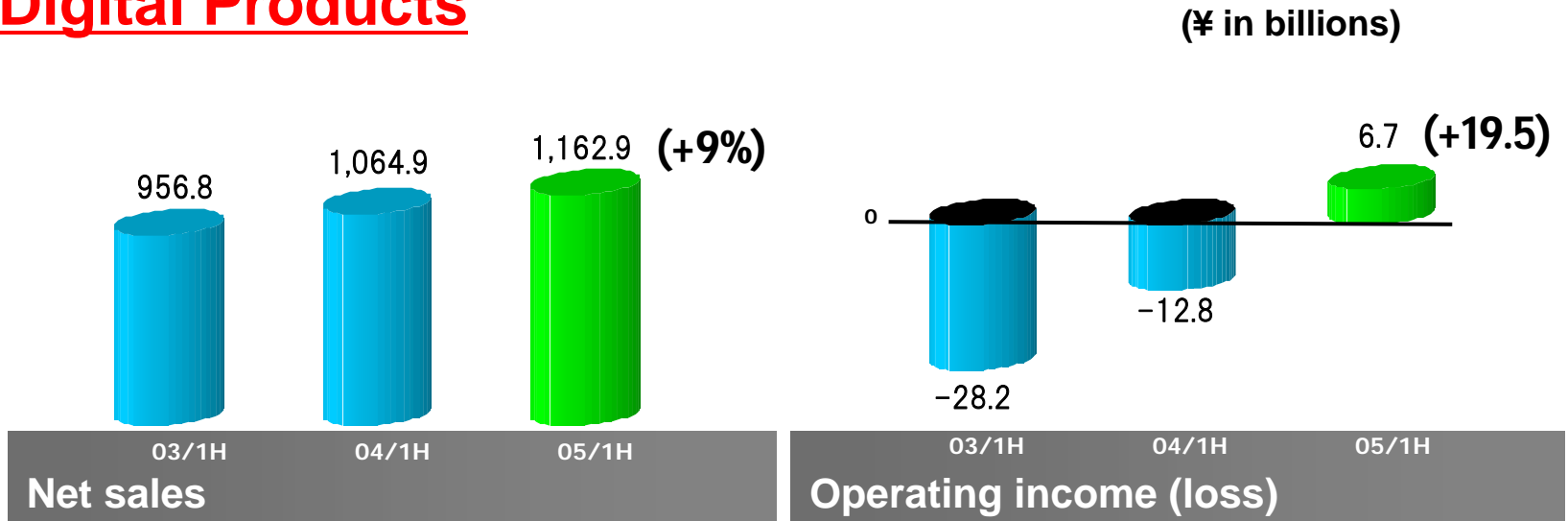
(¥ in billions)

Net sales	1H FY2005 (A)	1H FY2004 (B)	(A) - (B)	(A) / (B)
Digital Products	1,162.9	1,064.9	98.0	109%
Electronic Devices	653.5	683.7	-30.2	96%
Social Infrastructure	826.1	765.3	60.8	108%
Home Appliances	336.2	330.0	6.2	102%
Others	177.5	180.0	-2.5	99%

Operating income (loss)	1H FY2005 (A)	1H FY2004 (B)	(A) - (B)	(A) / (B)
Digital Products	6.7	-12.8	19.5	-
Electronic Devices	41.7	67.4	-25.7	-
Social Infrastructure	3.4	-8.7	12.1	-
Home Appliances	-6.3	0.0	-6.3	-
Others	6.3	4.1	2.2	-

Intersegment eliminations are not shown in the tables.

Digital Products



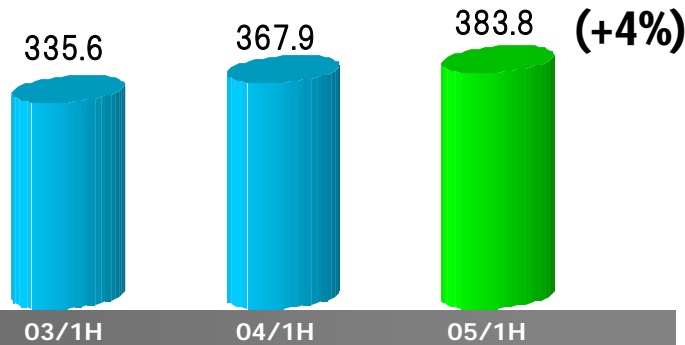
- The storage devices, PC and mobile phone businesses saw higher sales.

- The PC business returned to profit. Mobile phone continued strong.
- DVD recorders deteriorated on significant price erosion.

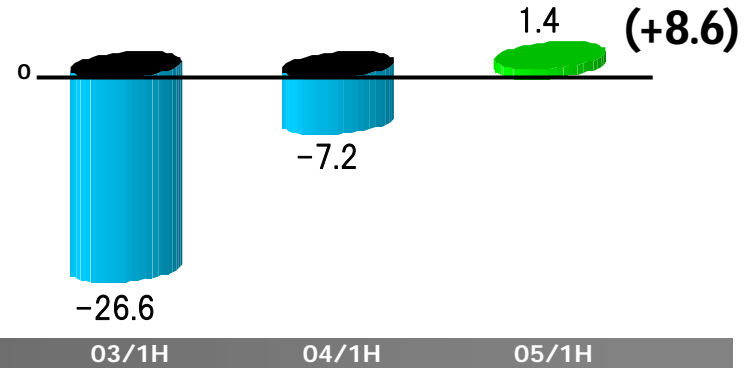
() = Year-earlier period comparison

PC Business

(¥ in billions)



Net sales



Operating income (loss)

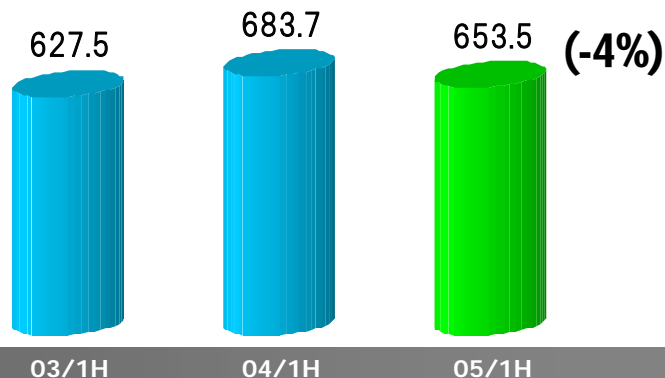
■ A notable increase in sales volume reflected market growth in Japan and Europe, price erosion provided a slight stimulus to sales.

■ Improved by restructuring and volume increases.
 ■ In surplus since 2H FY2004, for two consecutive fiscal halves.

() = Year-earlier period comparison

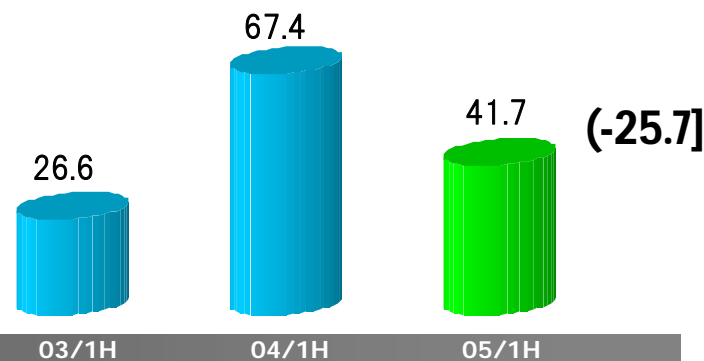
Electronic Devices

(¥ in billions)



Net sales

- Saw slight increase in semiconductors; price erosion in LCDs depressed net sales.



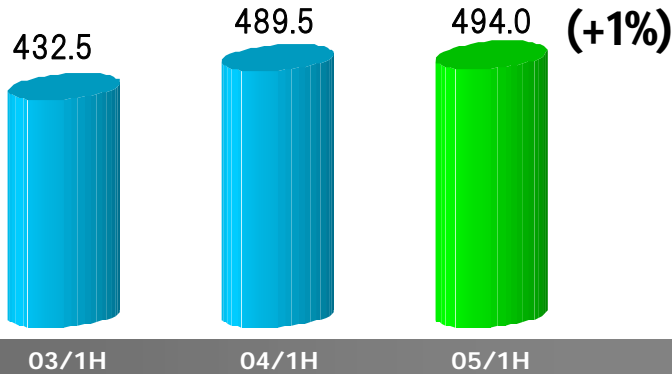
Operating income (loss)

- Undermined by significant price erosion in semiconductors and LCDs.

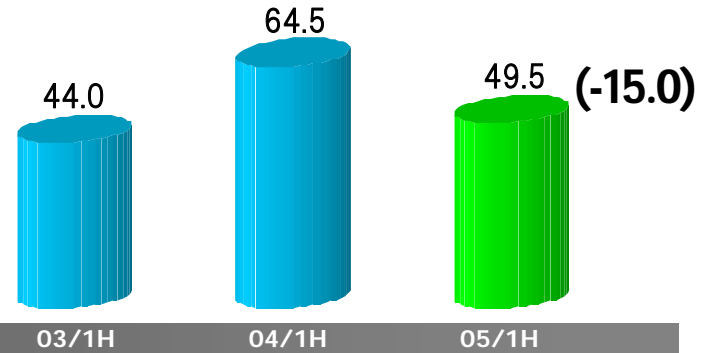
() = Year-earlier period comparison

Semiconductor Business

(¥ in billions)



Net sales



Operating income (loss)

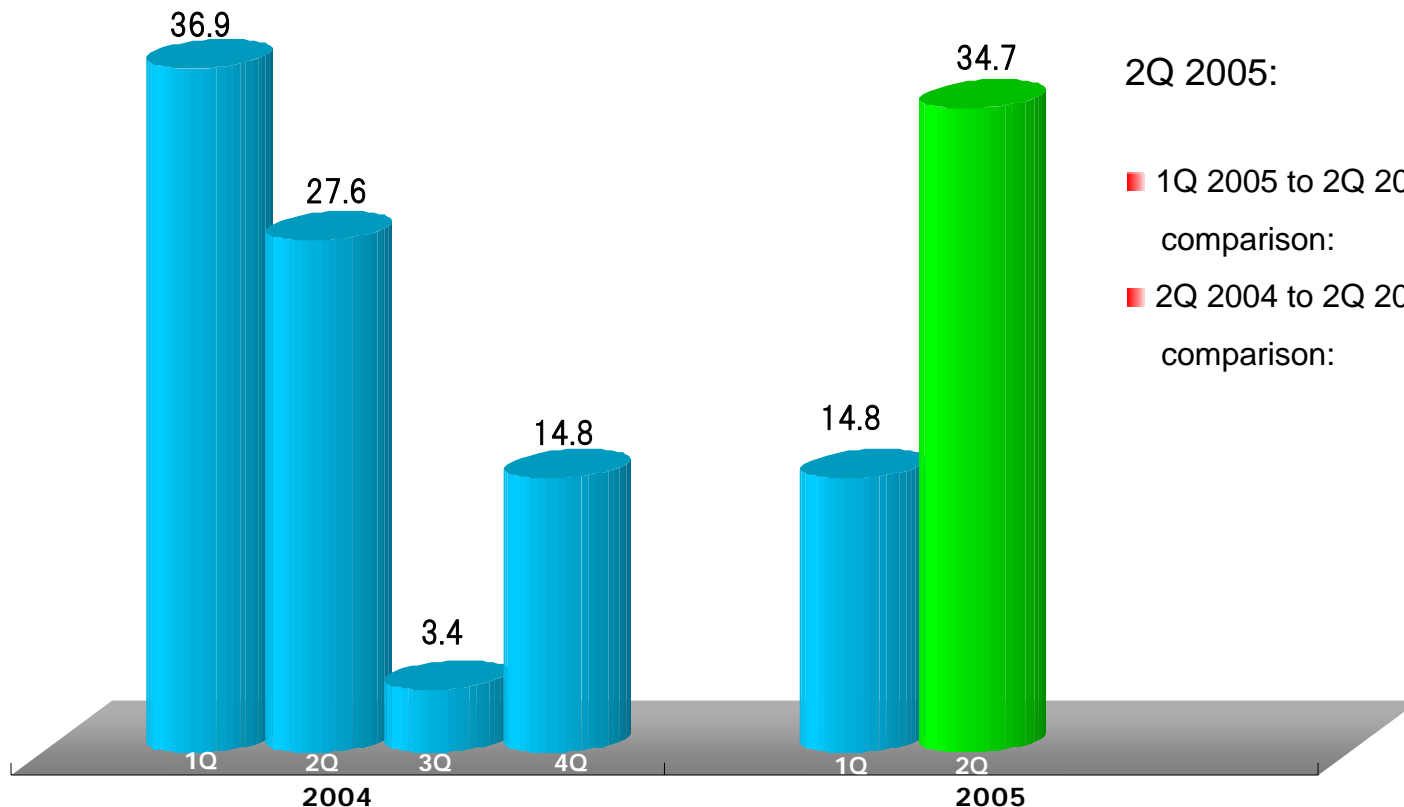
■ A slight increase in net sales resulted from strong memory sales that overcame declines in discrete devices.

■ Secured high operating income ratio to net sales of over 10% on strong memory performance, but profit was lower than in the year earlier period.

() = Year-earlier period comparison

Semiconductor Business Quarterly Trend in Operating income

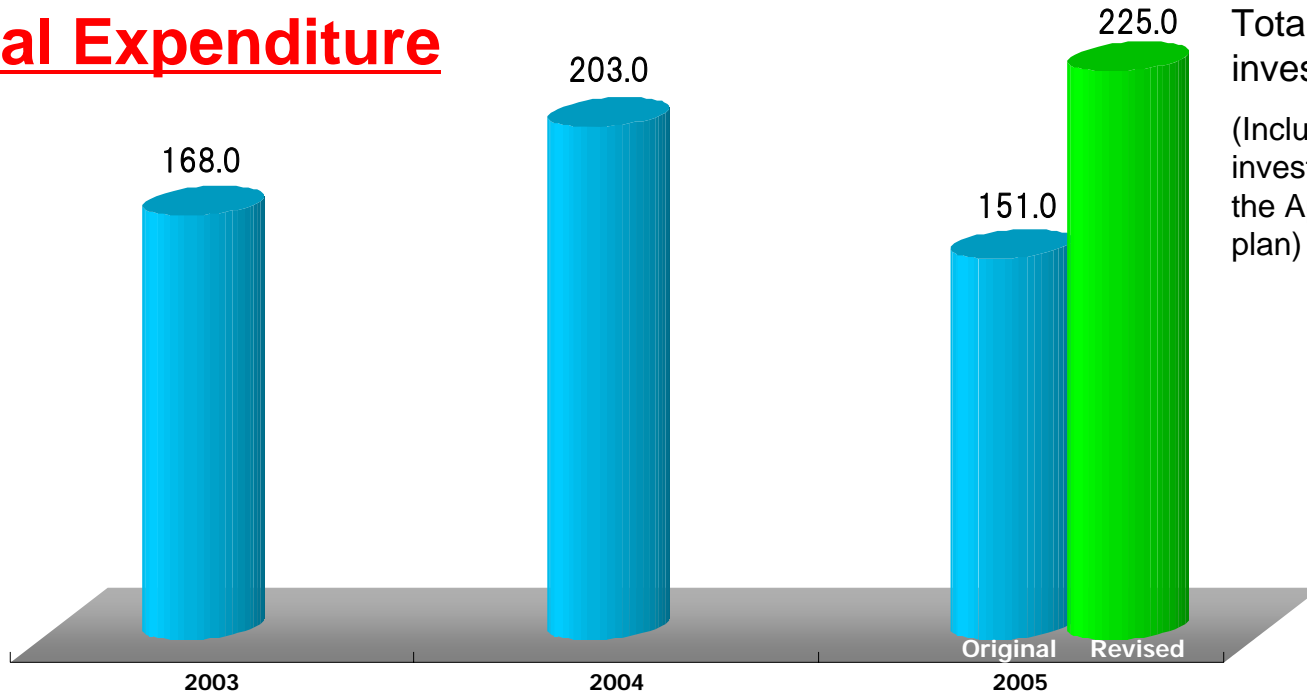
(¥ in billions)



2Q 2005:	34.7
1Q 2005 to 2Q 2005 comparison:	+19.9
2Q 2004 to 2Q 2005 comparison:	+7.1

Semiconductor Business Capital Expenditure

(¥ in billions)



Total FY2005 investment: 225.0

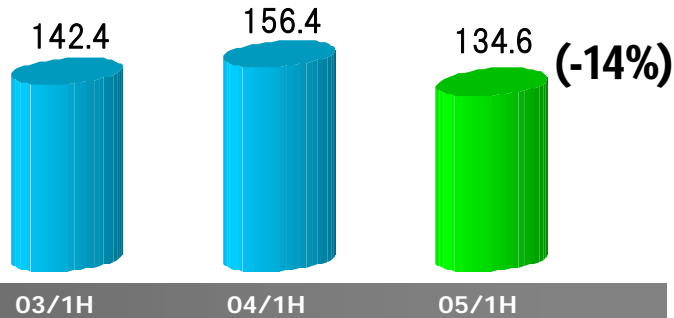
(Includes a 74.0 investment additional to the April 2005 original plan)

NAND Flash Memory: Demand continues strong and prices are firm. Responding to growing demand, Toshiba has revised its FY2005 investment plan to accelerate and raise investment in its 300mm NAND Flash Memory operations at Yokkaichi. Investment in 300mm fab in FY2005 will be raised by 80 billion yen. The total investment to FY2005 end in 300mm fab will reach 295 billion yen, 25 billion yen more than originally planned. 300mm fab's capacity will climb from a previously planned 30,000 wafers a month to 48,750 w/m by the end of the second half of FY 2006.

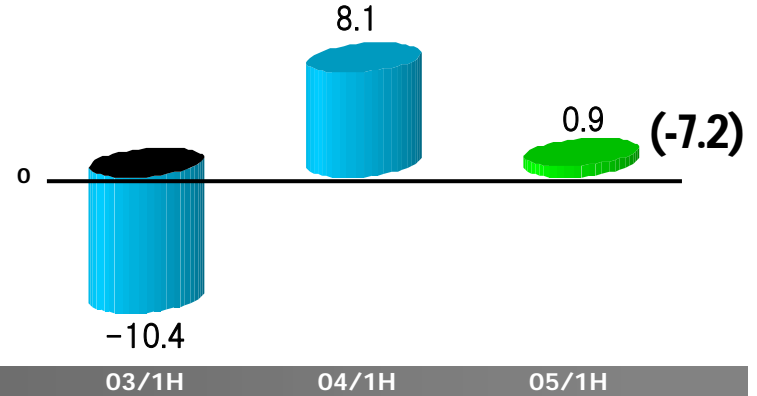
- Toshiba has increased its overall investment in the semiconductor business by 74 billion yen from the original April 2005 plan, raising the Company's total investment in FY 2005 to 225 billion yen

LCD Business

(¥ in billions)



Net sales



Operating income (loss)

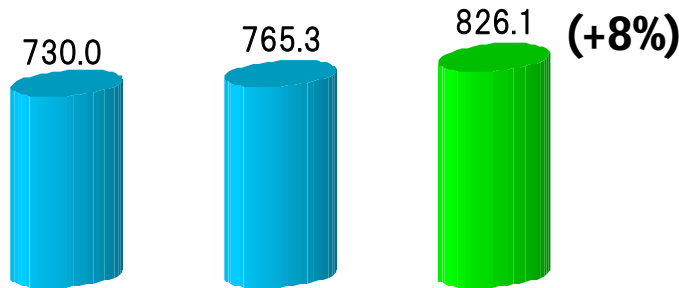
■ Significant price erosion in panels for PCs resulted in an overall decrease.

■ Despite price erosion resulting in lower profit than in the same period a year ago, the LCD business was in the black.

() = Year-earlier period comparison

Social Infrastructure

(¥ in billions)

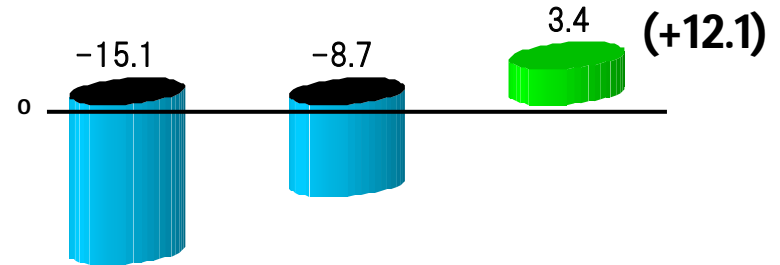


03/1H

04/1H

05/1H

Net sales



03/1H

04/1H

05/1H

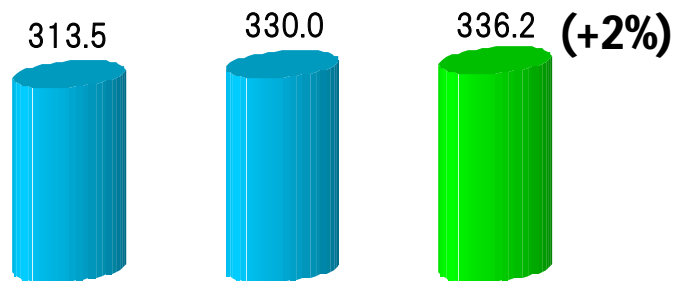
Operating income (loss)

■ Strong business in medical systems and terrestrial digital broadcasting systems, and the reintegration of the power transmission and distribution business from a dissolved JV, raised sales.

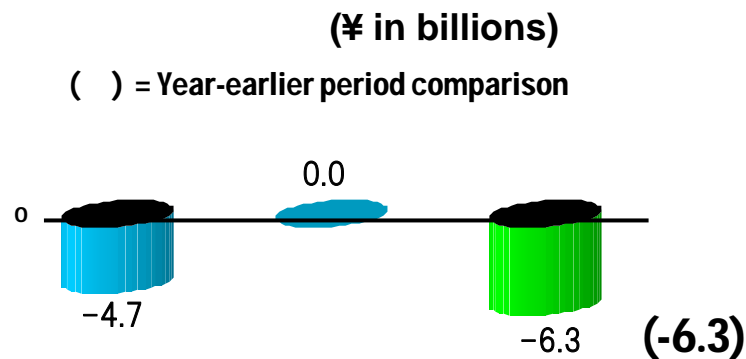
■ Sales increased and returned to profit.

() = Year-earlier period comparison

Home Appliances

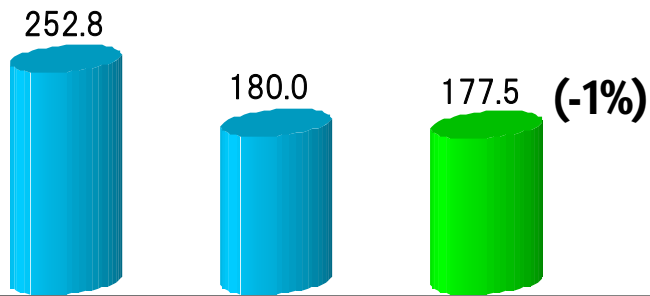


03/1H 04/1H 05/1H
Net sales

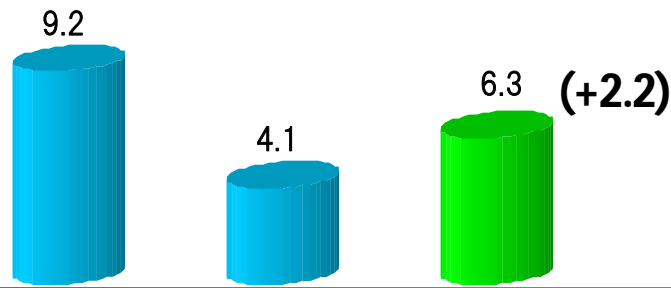


03/1H 04/1H 05/1H
Operating income (loss)

Others



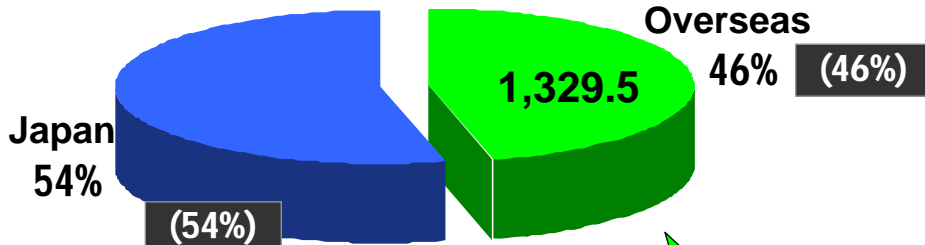
03/1H 04/1H 05/1H
Net sales



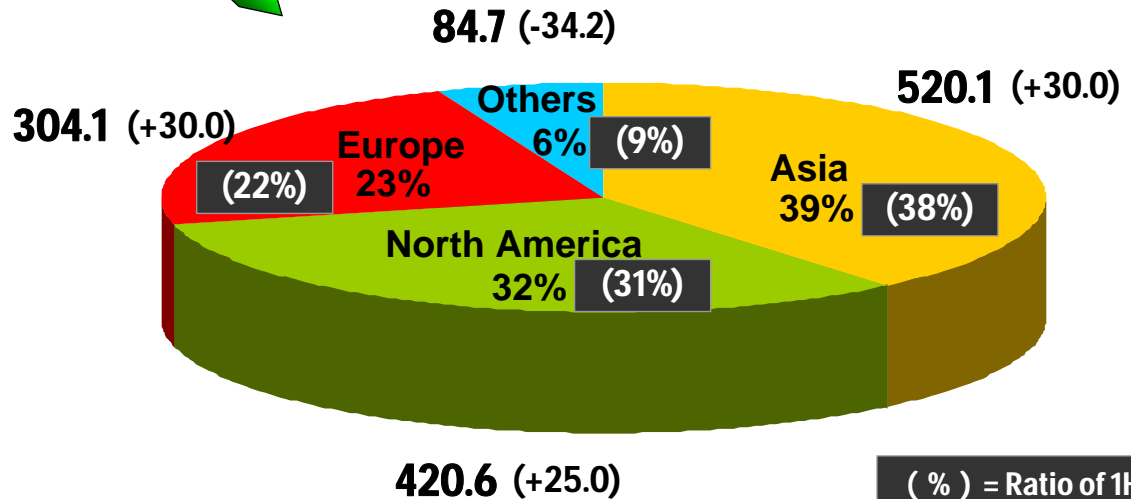
03/1H 04/1H 05/1H
Operating income (loss)

Consolidated First Half Net Sales, by Region

Total 1H FY2005 net sales: 2,900.1 billion yen (+118.3)



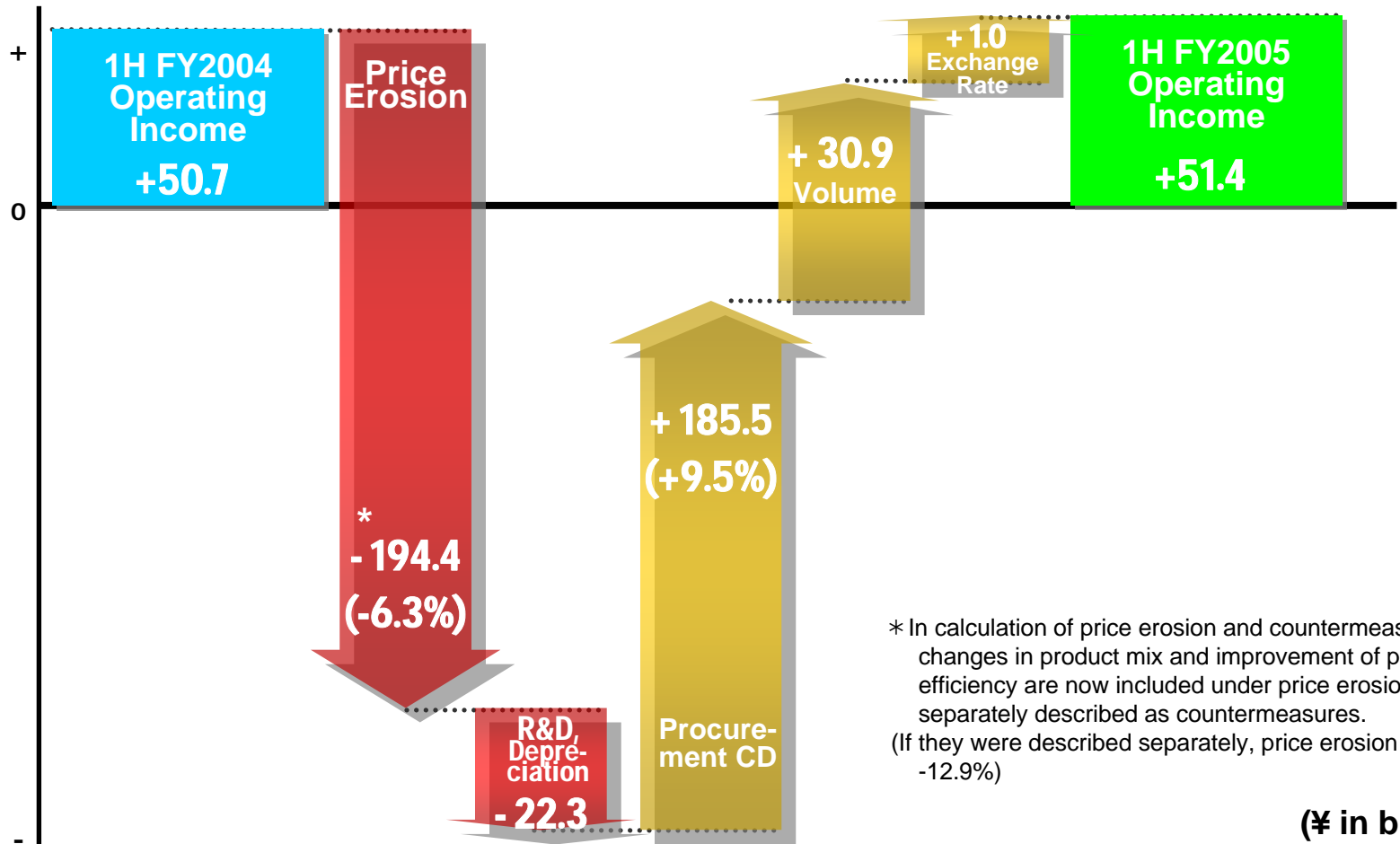
Total overseas net sales: 1,329.5 billion yen (+50.8)



(%) = Ratio of 1H FY2004

(billion yen): Year-earlier period comparison

Operating Income, 1H FY2004 and 1H FY2005



* In calculation of price erosion and countermeasures, changes in product mix and improvement of production efficiency are now included under price erosion, not separately described as countermeasures.
 (If they were described separately, price erosion would be -12.9%)

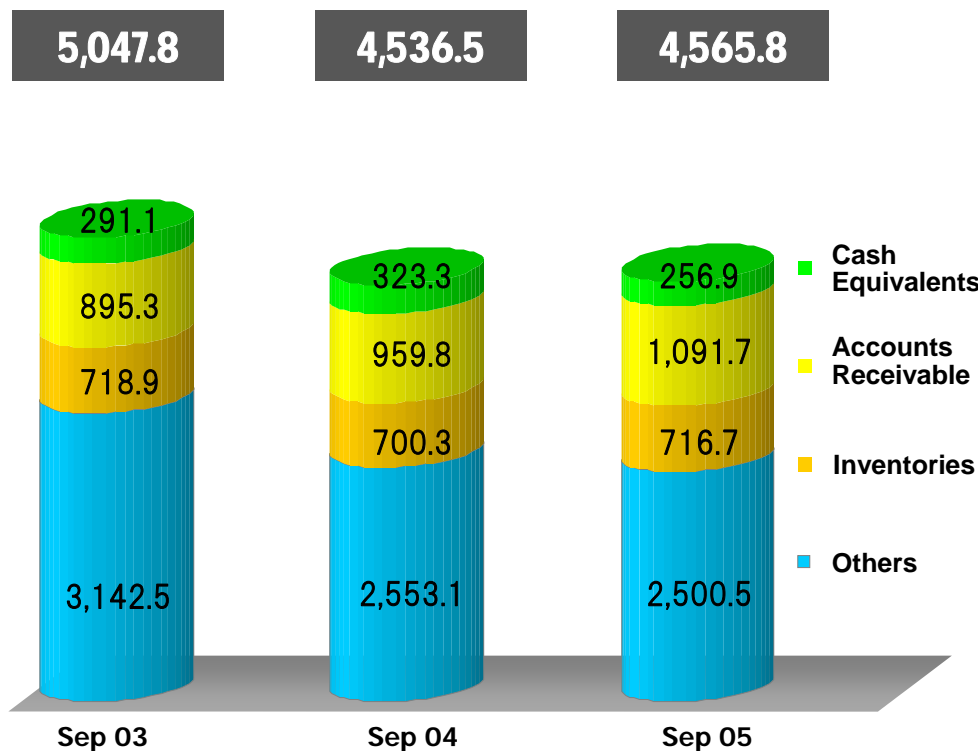
(¥ in billions)

() : Year-earlier period comparison

Consolidated Balance Sheets

(¥ in billions)

Assets



Sep 04 to Sep 05

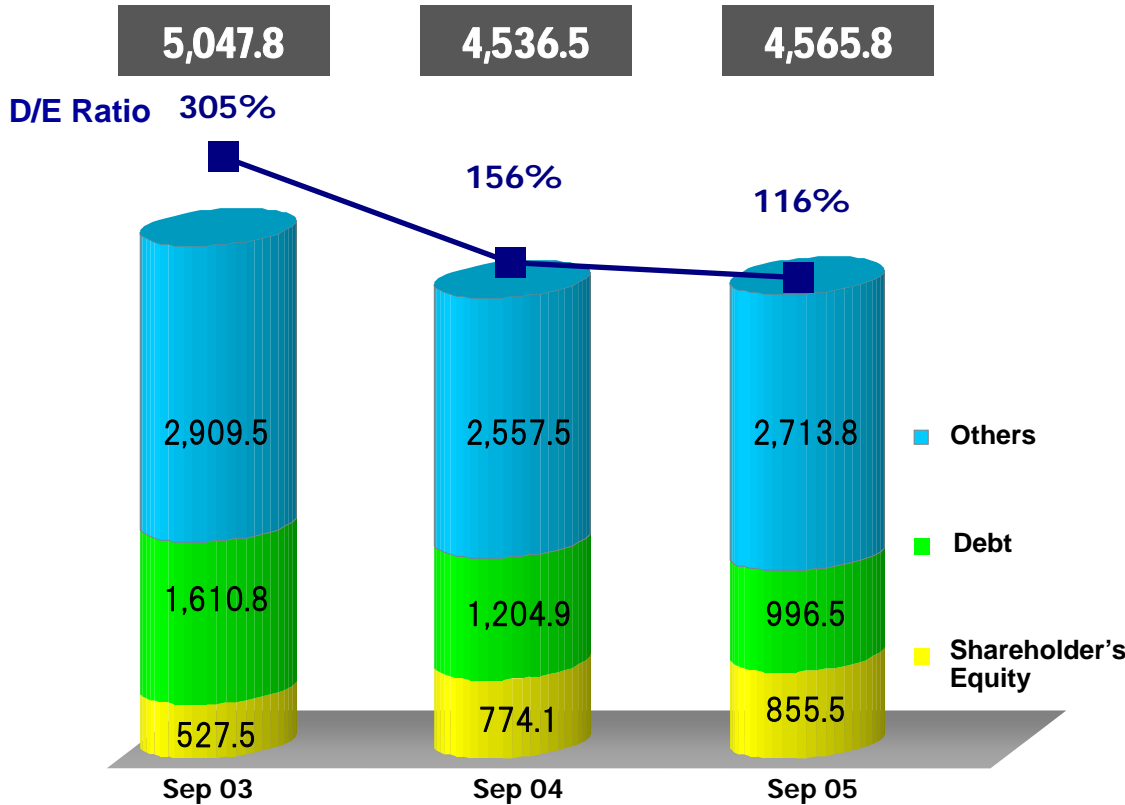
Total Assets	+29.3
Accounts Receivable	+131.9
Inventories	+16.4

Consolidated Balance Sheets

(¥ in billions)

Liabilities/Shareholder's Equity

■ Debt: fell below 1,000 billion yen for the first time since FY1983.

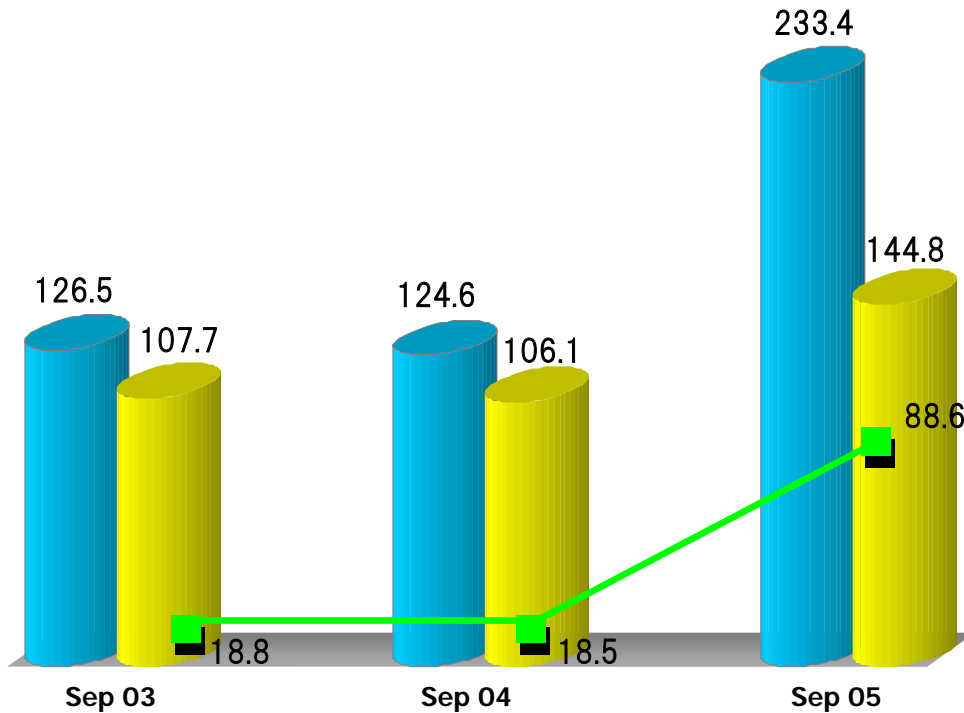


Sep 04 to Sep 05

■ Liabilities/Shareholder's Equity	+29.3
■ Debt	-208.4
■ Shareholder's Equity	+81.4

Cash Flows

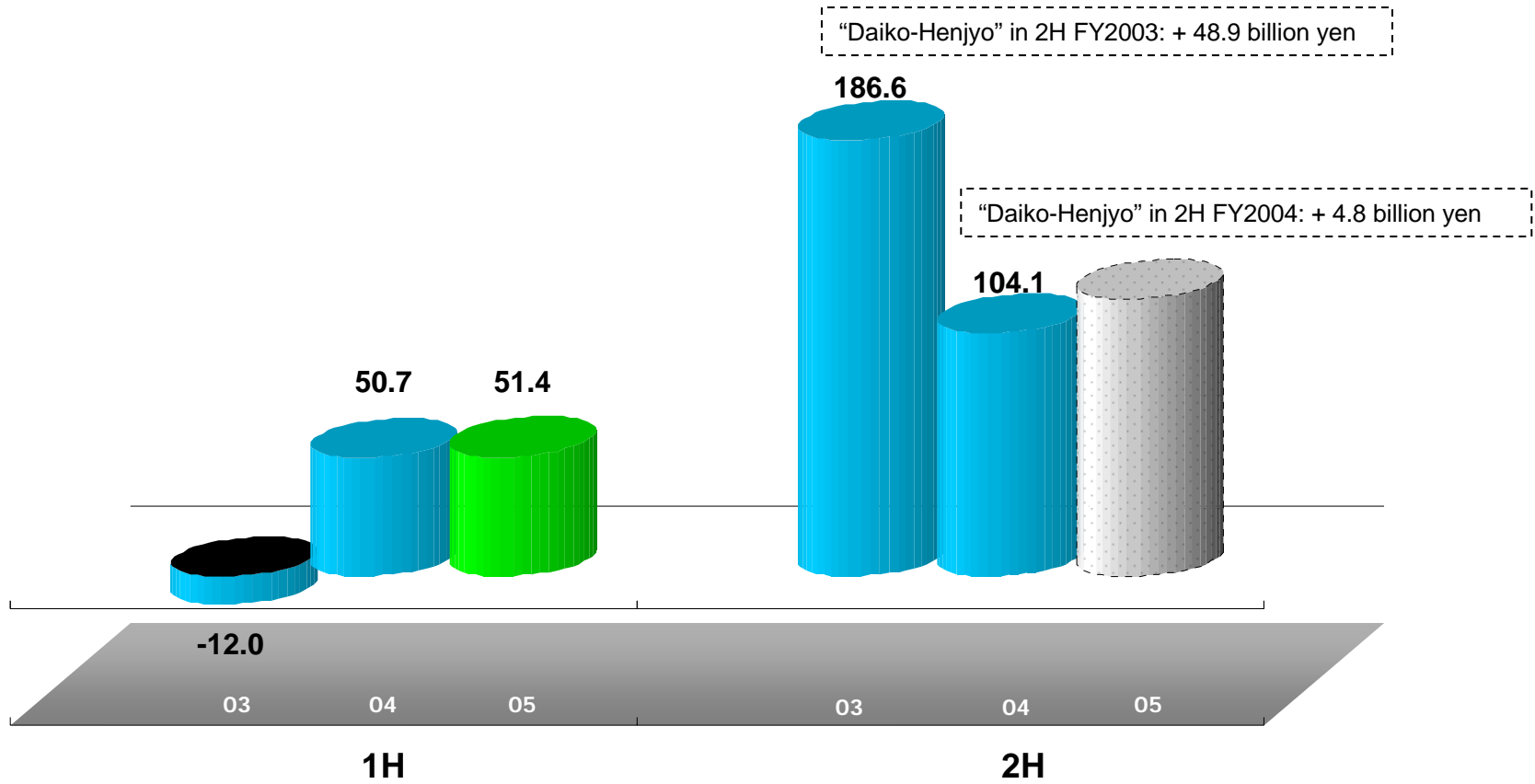
(¥ in billions)



■ Cash flows from operating activities	233.4 (+108.8)
■ Cash flows from investing activities	-144.8 (-38.7)
■ Free cash flow	88.6 (+70.1)

() = Year-earlier period comparison

Half-year Trend in Operating Income (loss)



(¥ in billions)

Consolidated Forecast for FY2005

■ Remain unchanged from the forecast of April 28, 2005.

(¥ in billions)

	FY2005 (Forecast) (A)	FY2004 (Actual) (B)	(A) - (B)	(A) / (B)
Net sales	6,000.0	5,836.1	163.9	103%
Operating income (loss)	170.0	154.8	15.2	—
Income (loss) before income taxes and minority interest	130.0	111.2	18.8	—
Net income (loss)	55.0	46.0	9.0	—