

FY2006 First Half
Consolidated Business Results

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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.

Key Points for First Half of FY 2006

- Results surpassed the original April forecast for FY 2006.
 - Operating Income: 65.2 billion yen (+10.2 billion yen from original forecast)
 - Net Income 38.8 billion yen (+ 23.8 billion yen from original forecast)
- All segments recorded higher sales; Electronic Devices, Social Infrastructure and Home Appliances achieved improved operating income against FY 2005 first half .
 - Net Sales: 3,162.0 billion yen (+ 261.9 billion yen, 109%)
 - Operating Income: 65.2 billion yen (+13.8 billion yen)
- Fund raising for the Westinghouse acquisition increased the D/E ratio.
 - 92% as of end of March, 2006 → 123% as of end of September, 2006
- Dividend raised
 - 3.0 yen for first half of FY2005 → 4.5 yen for first half of FY2006

FY2006 First Half Consolidated Business Results

	1H FY2006 (A)	1H FY2005 (B)	(A)-(B)	(A)/(B)
Net sales	3,162.0	2,900.1	261.9	109%
Operating income (loss)	65.2 2.1%	51.4 1.8%	13.8 0.3%	-
Income (loss) before income taxes and minority interest	83.7 2.6%	42.1 1.5%	41.6 1.1%	-
Net income (loss)	38.8 1.2%	14.6 0.5%	24.2 0.7%	-
Basic earnings per share	¥12.08	¥4.56	¥7.52	-

(¥ in billions, except earnings per share)

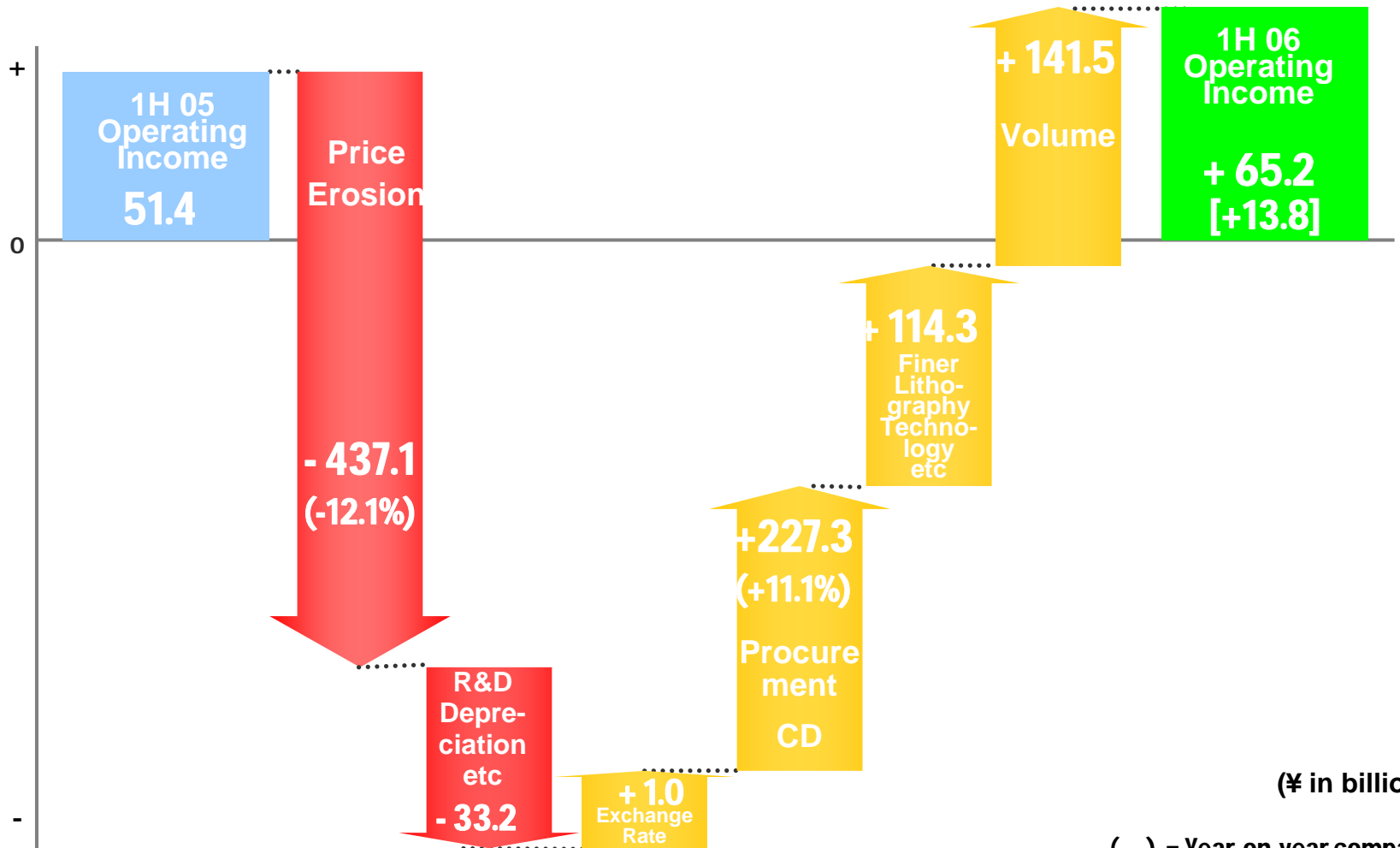
FY2006 First Half Segment Information

Net sales	1H FY2006 (A)	1H FY2005 (B)	(A) - (B)	(A) / (B)
Digital Products	1,315.9	1,162.9	153.0	113%
Electronic Devices	737.4	653.5	83.9	113%
Social Infrastructure	829.1	826.1	3.0	100%
Home Appliances	367.2	336.2	31.0	109%
Others	186.4	177.5	8.9	105%
Total	3,162.0	2,900.1	261.9	109%

(¥ in billions)

Operating income (loss)	1H FY2006 (A)	1H FY2005 (B)	(A) - (B)	(A) / (B)
Digital Products	-7.6 -0.6%	6.7 0.6%	-14.3 -1.2%	-
Electronic Devices	56.9 7.7%	41.7 6.4%	15.2 1.3%	136%
Social Infrastructure	10.6 1.3%	3.4 0.4%	7.2 0.9%	313%
Home Appliances	1.1 0.3%	-6.3 -1.9%	7.4 2.2%	-
Others	6.2 3.3%	6.3 3.6%	-0.1 -0.3%	98%
Total	65.2 2.1%	51.4 1.8%	13.8 0.3%	127%

Operating Income (Loss), 1H FY 2005 and 1H FY2006

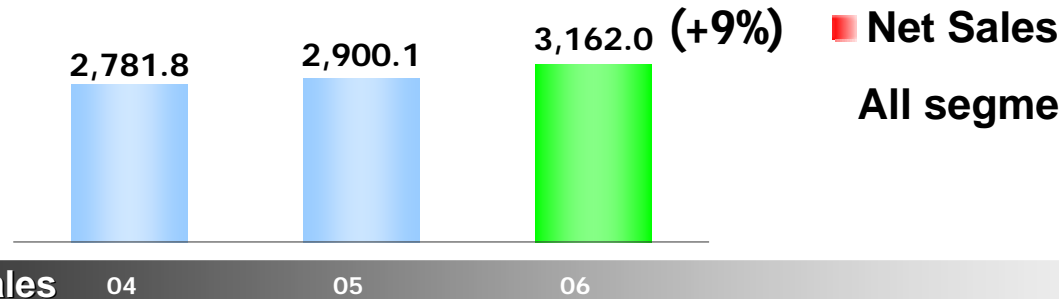


(¥ in billions)

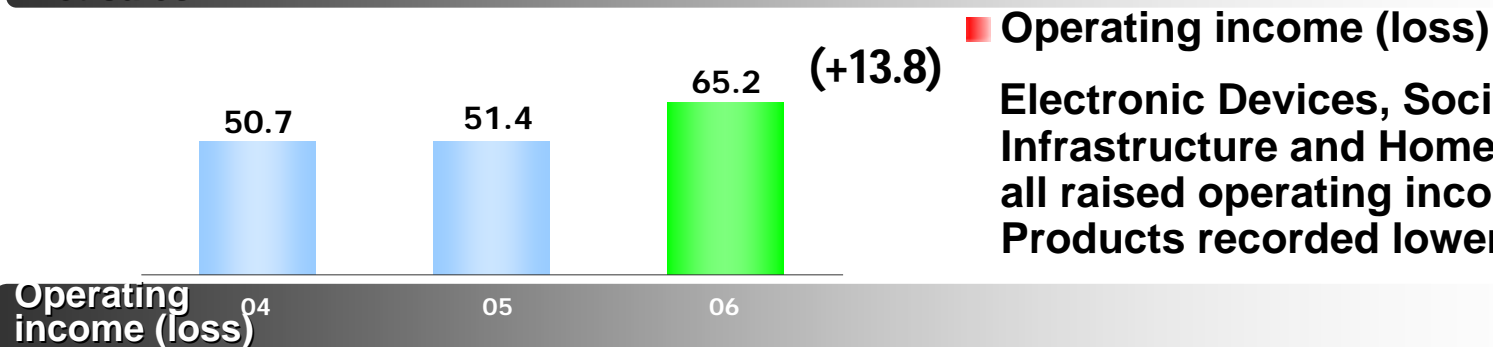
() = Year-on-year comparison

1H FY2006 Results - Overview

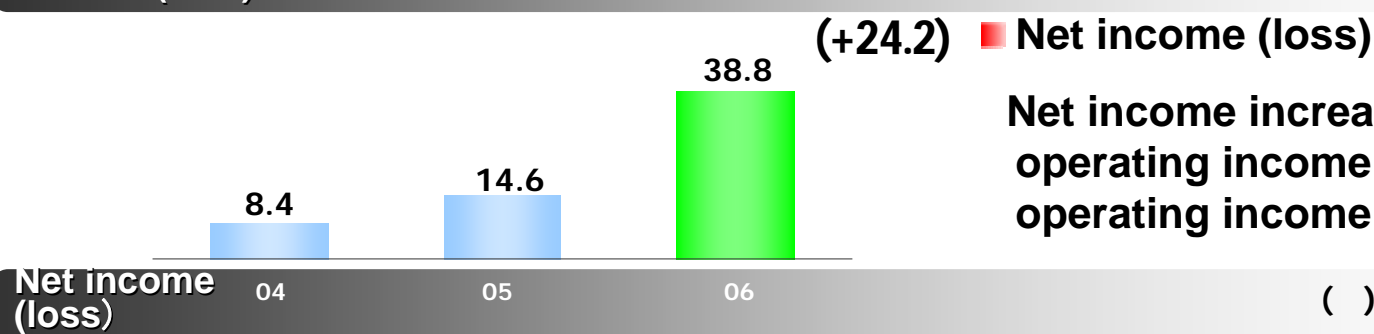
(¥ in billions)



All segments recorded higher sales.



Electronic Devices, Social Infrastructure and Home Appliances all raised operating income; Digital Products recorded lower income.

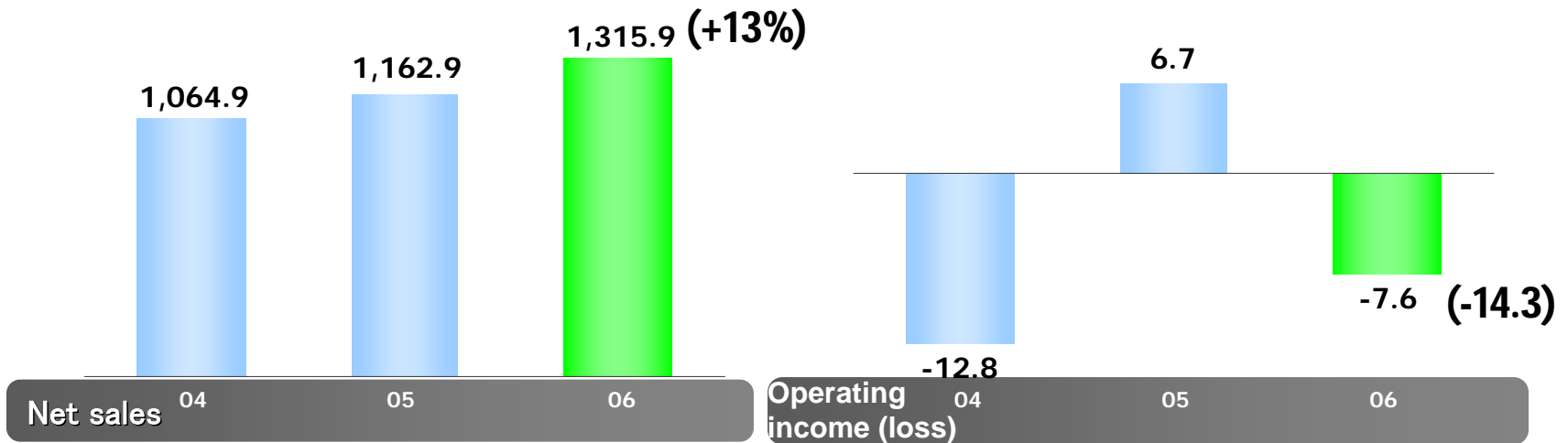


Net income increased on improved operating income (loss) and non-operating income (loss).

() = Year-on-year comparison

Digital Products

(¥ in billions)



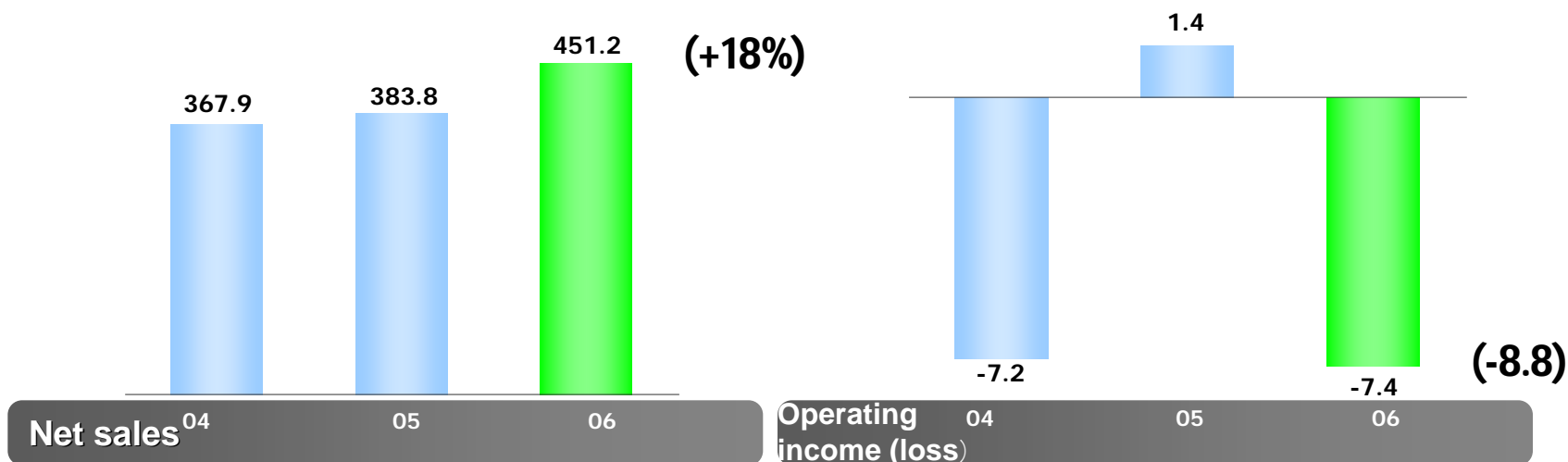
■ Strong performance in storage devices and TVs increased sales.

■ The PC business saw lower operating income due to price declines, but the storage devices and TV businesses recorded improved operating income.

() = Year-on-year comparison

PC Business

(¥ in billions)



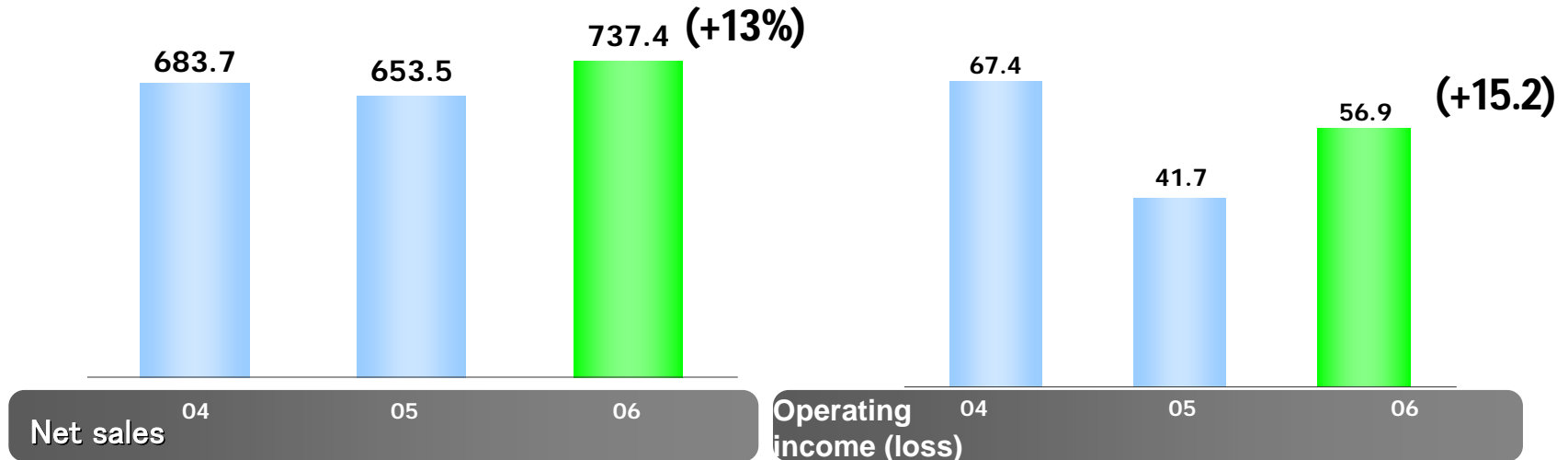
■ Sales increased on growth in sales units, especially in the European and U.S. markets.

■ The business felt the impact of yen depreciation and price declines, which combined to lower income.

() = Year-on-year comparison

Electronic Devices

(¥ in billions)



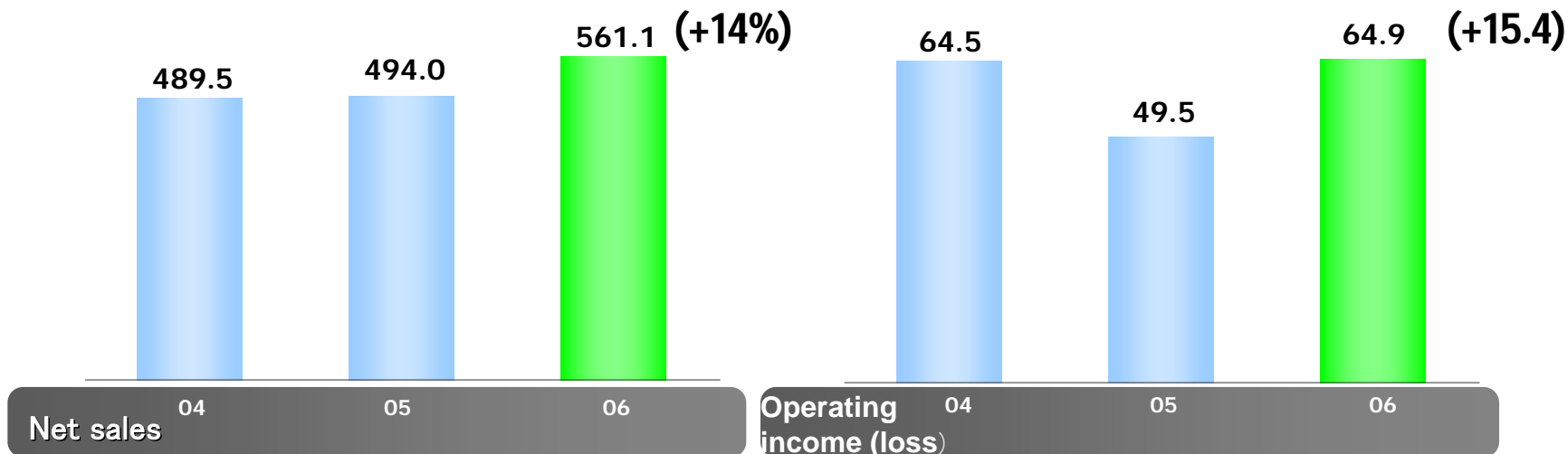
■ Higher sales of semiconductors and LCDs for mobile devices were led by volume increase.

■ Strong volume increases in the semiconductor business and improvements in the LCD business boosted profit.

() = Year-on-year comparison

Semiconductor Business

(¥ in billions)



■ **Strong performance in Memories, System LSIs and Discretes increased sales.**

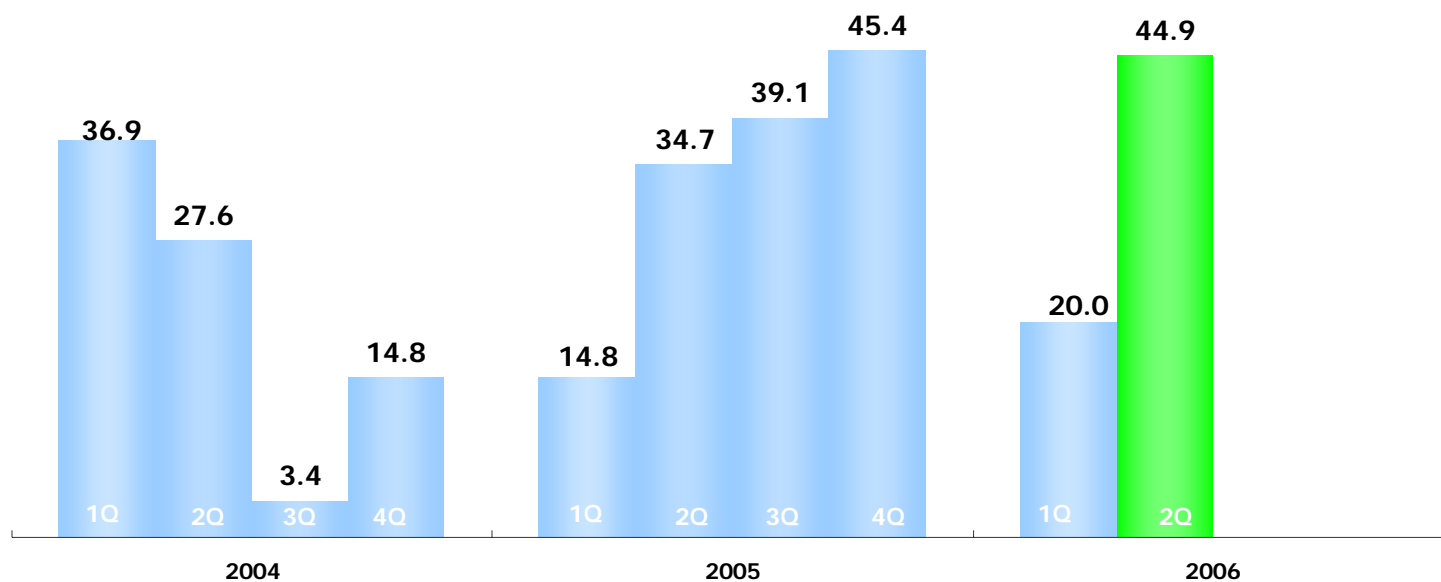
■ **System LSI raised profit and moved into the black; strong sales of Discretes and high profit in Memories supported increased operating income.**

() = Year-on-year comparison

Semiconductor Business

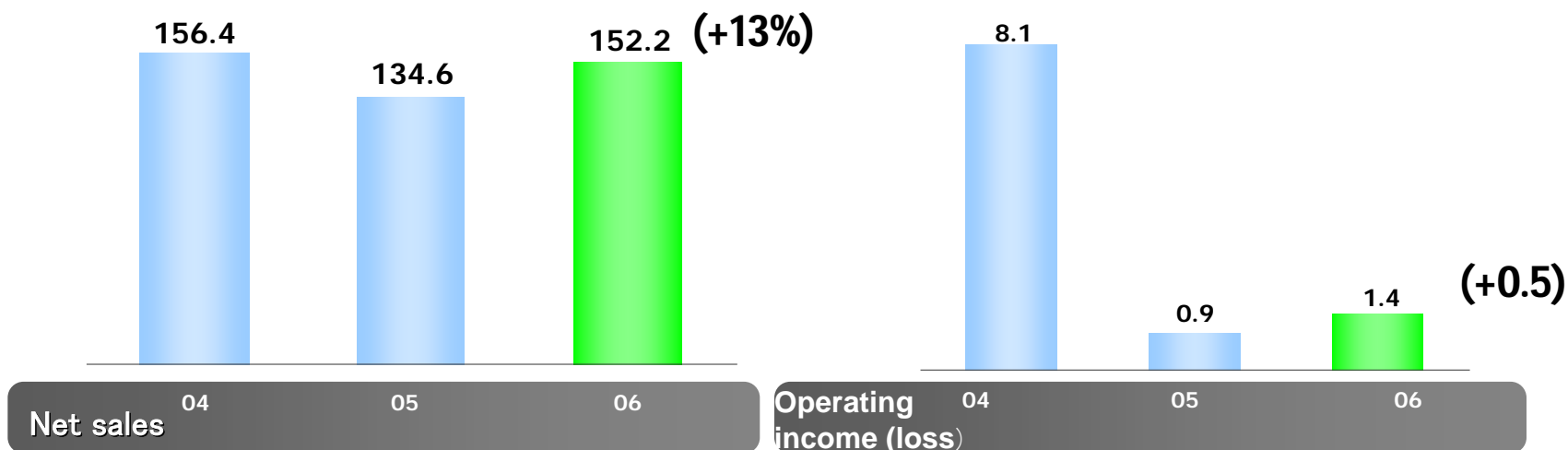
(¥ in billions)

Quarterly Trend in Operating Income



LCD Business

(¥ in billions)



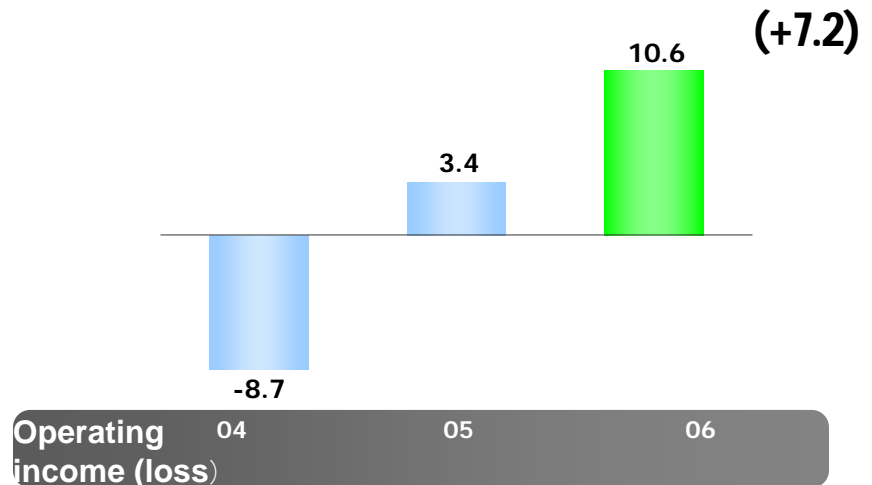
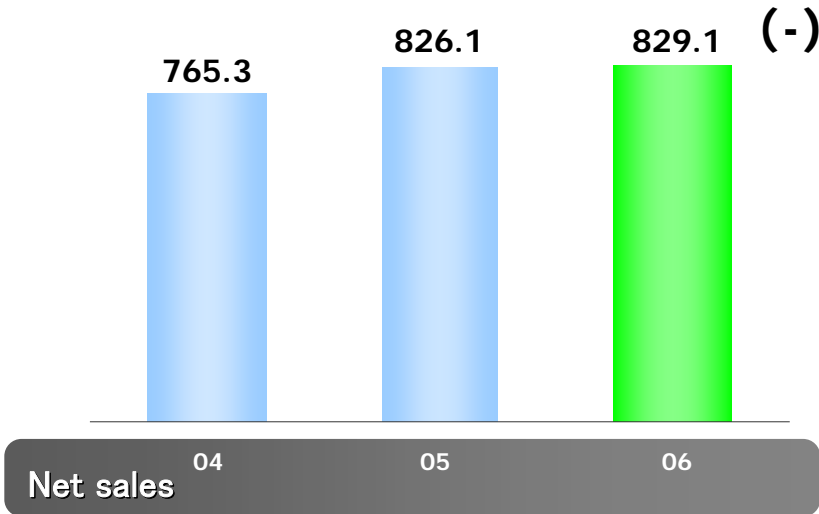
■ Sales of LCD displays for mobile devices grew, especially in overseas markets.

■ Sales for mobile devices grew, generating increased profit.

() = Year-earlier period comparison

Social Infrastructure

(¥ in billions)



■ In the absence of major projects, Power Systems saw lower sales, but strong performances in Social Infrastructure Systems and Medical Systems compensated for this.

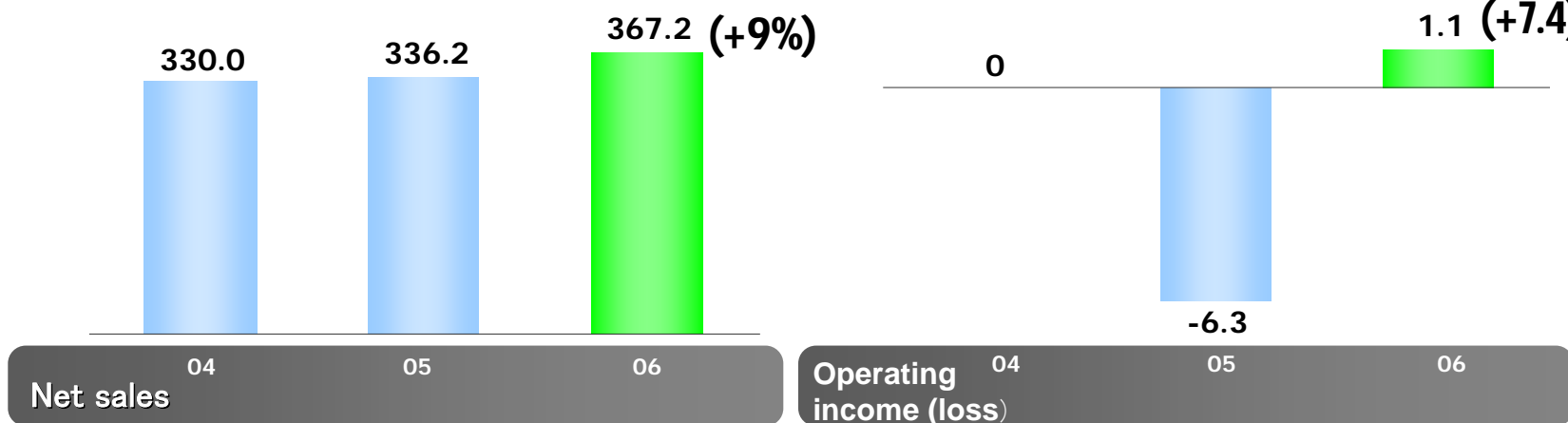
■ Improved performances in Social Infrastructure Systems and Medical System raised operating income.

() = Year-on-year comparison

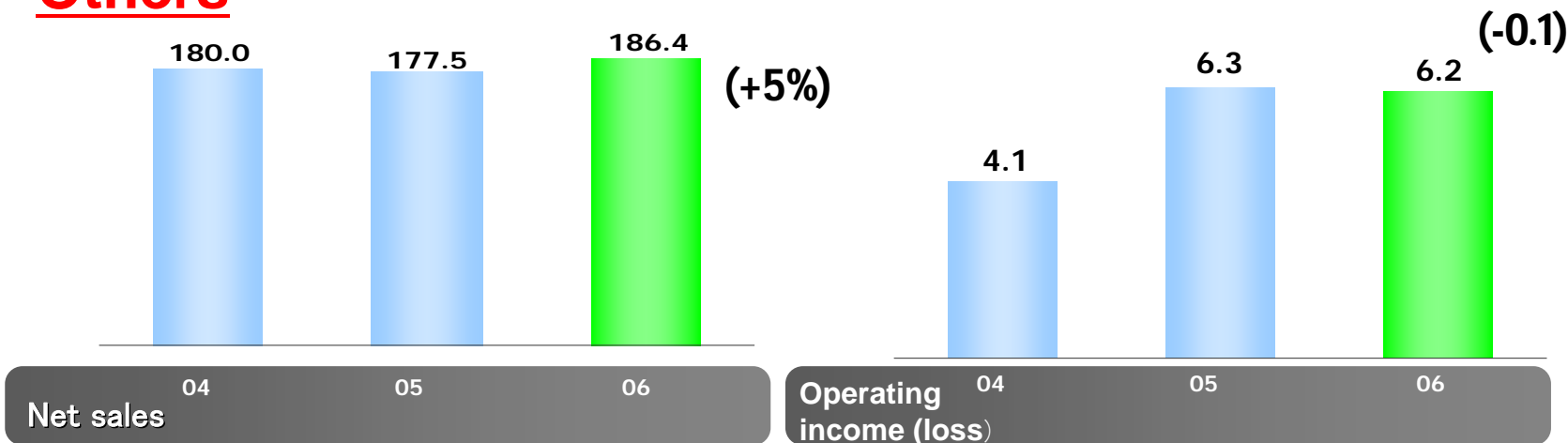
Home Appliances

(¥ in billions)

() = Year-earlier period comparison

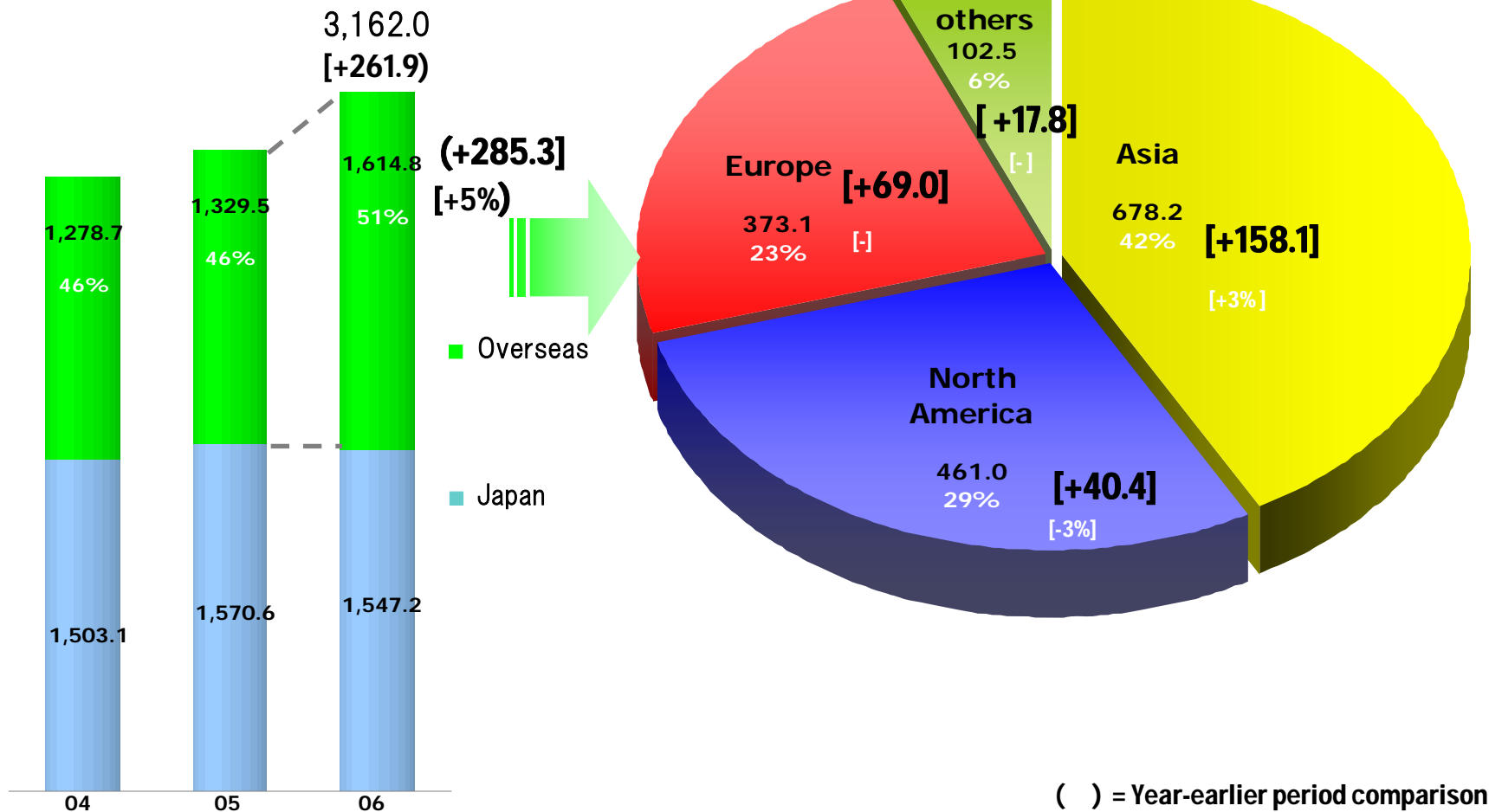


Others



Consolidated 1H FY2006 Net Sales, by Region

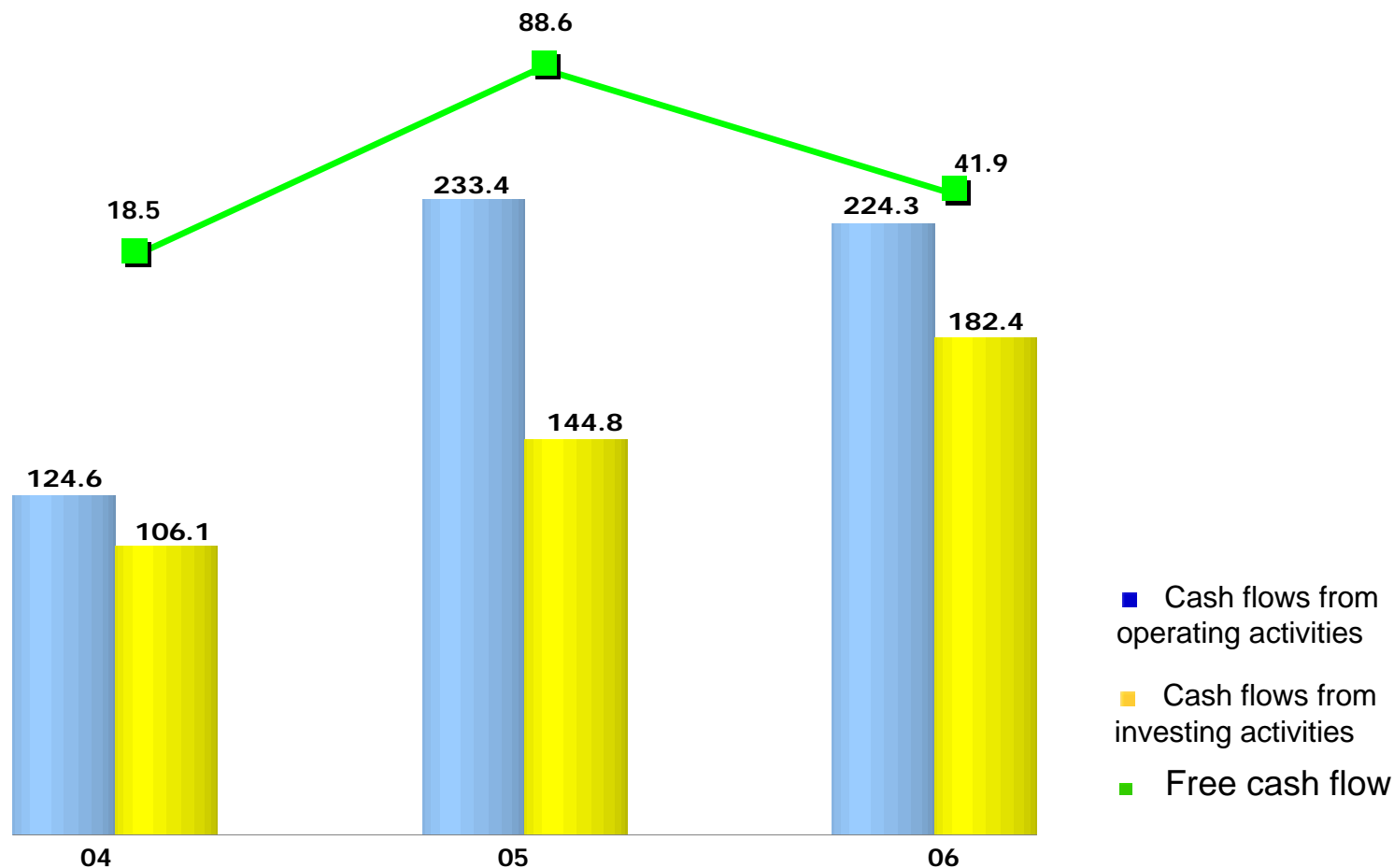
(¥ in billions)



() = Year-earlier period comparison

Cash Flows

(¥ in billions)

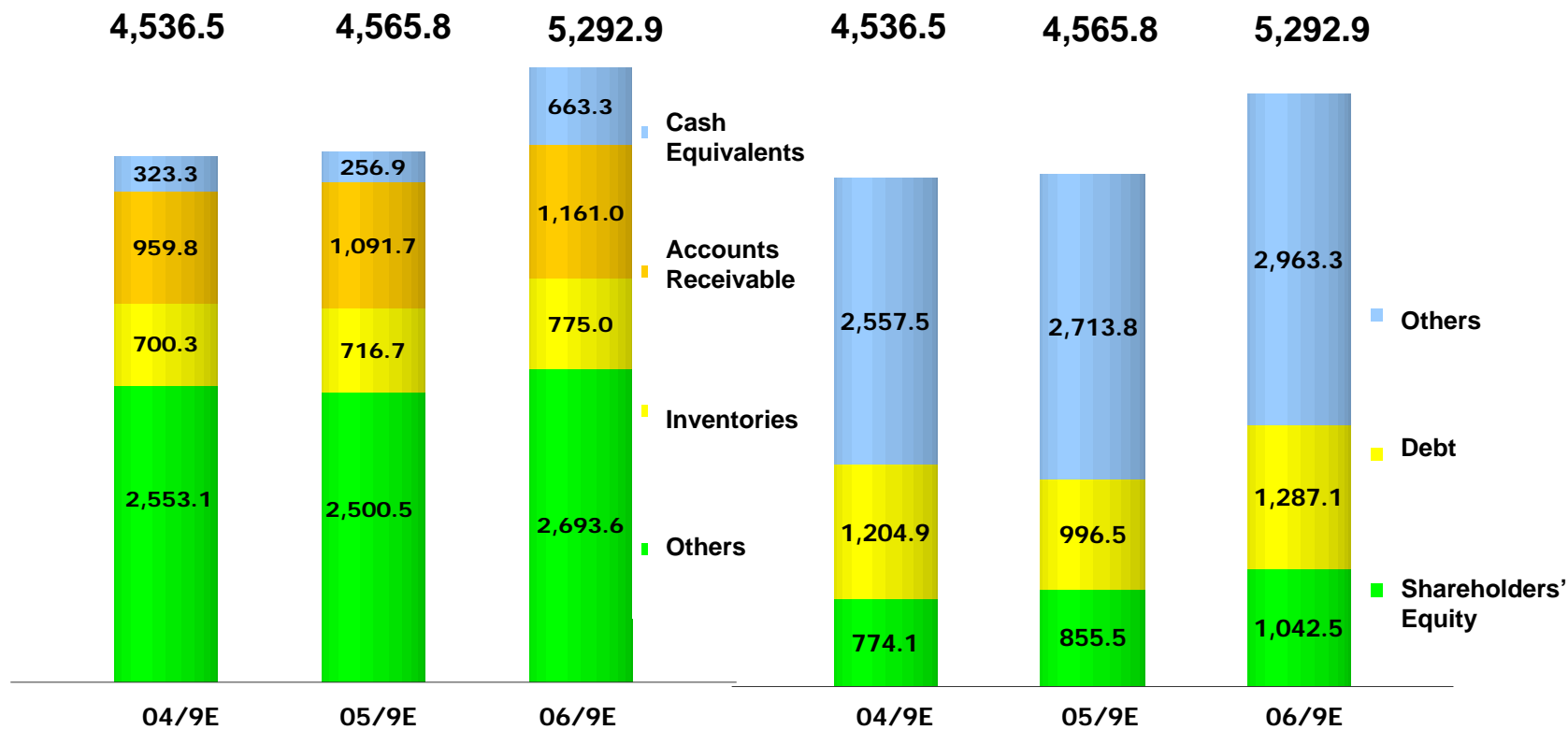


Consolidated Balance Sheets

(¥ in billions)

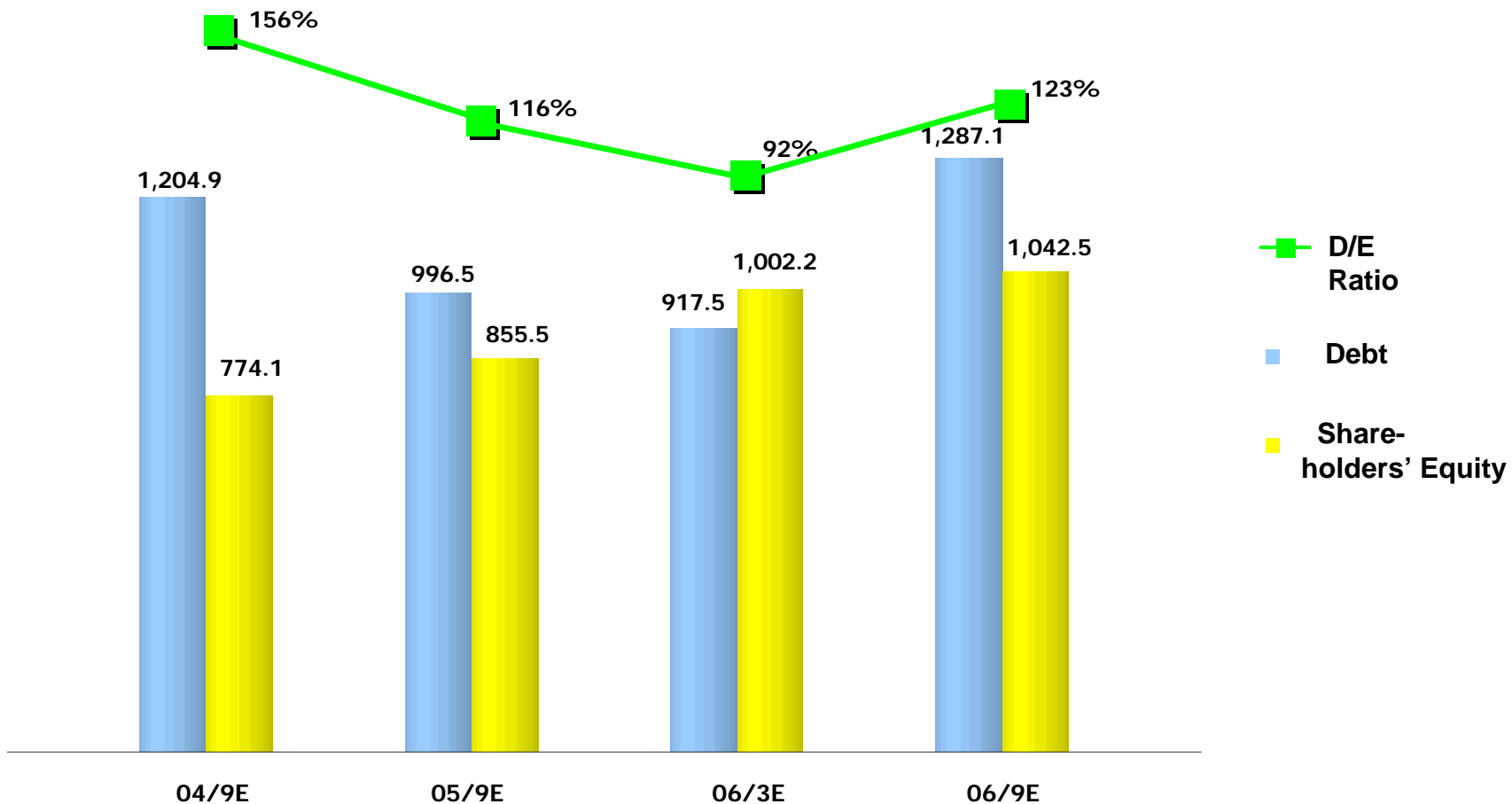
Assets

Liabilities and Shareholders' Equity



D/E Ratio

(¥ in billions)



Consolidated Forecast for FY2006

(¥ in billions)

	FY2006 (Forecast) (A)	FY2006 (Forecast as of April) (B)	FY2005 (Actual) (C)	(A) - (B)	(A) - (C)
Net sales	6,750.0	6,600.0	6,343.5	150.0	406.5
Operating income (loss)	270.0 4.0%	265.0 4.0%	240.6 3.8%	5.0 0.0%	29.4 0.2%
Income (loss) before income taxes and minority interest	270.0 4.0%	220.0 3.3%	178.2 2.8%	50.0 0.7%	91.8 1.2%
Net income (loss)	110.0 1.6%	90.0 1.4%	78.2 1.2%	20.0 0.2%	31.8 0.4%

FY2006 Segment Information

(¥ in billions)

Net sales	FY2006 (A)	FY2006 (Forecast as of April) (B)	FY2005 (C)	(A) - (B)	(A) - (C)
Digital Products	2,750.0	2,700.0	2,536.5	50.0	213.5
Electronic Devices	1,550.0	1,620.0	1,388.1	-70.0	161.9
Social Infrastructure	1,970.0	1,940.0	1,882.3	30.0	87.7
Home Appliances	730.0	710.0	687.5	20.0	42.5
Others	370.0	360.0	379.8	10.0	-9.8
Total	6,750.0	6,600.0	6,343.5	150.0	406.5

Operating income (loss)	FY2006 (A)	FY2006 (Forecast as of April) (B)	FY2005 (C)	(A) - (B)	(A) - (C)
Digital Products	15.0 0.5%	35.0 1.3%	20.9 0.8%	-20.0 -0.8%	-5.9 -0.3%
Electronic Devices	130.0 8.4%	155.0 9.6%	123.3 8.9%	-25.0 -1.2%	6.7 -0.5%
Social Infrastructure	95.0 4.8%	60.0 3.1%	76.5 4.1%	35.0 1.7%	18.5 0.7%
Home Appliances	10.0 1.4%	5.0 0.7%	2.7 0.4%	5.0 0.7%	7.3 1.0%
Others	20.0 5.4%	10.0 2.8%	18.0 4.7%	10.0 2.6%	2.0 0.7%
Total	270.0 4.0%	265.0 4.0%	240.6 3.8%	5.0 0.0%	29.4 0.2%

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