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Revised Business Forecast for FY2007

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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.
- Without notes, all of the figures are total amount of 12 months.

Forecast of FY2007 Consolidated Business Results

(¥ billions)

	FY 2007 (A)	Forecast as of Oct (B)	FY 2006 (C)		
				(A) - (B)	(A) - (C)
Net Sales	7,700.0	7,800.0	7,116.4	-100.0	583.6
Operating Income (loss)	230.0 3.0%	290.0 3.7%	258.4 3.6%	-60.0 -0.7%	-28.4 -0.6%
Income (loss) before income taxes and minority interest	250.0 3.2%	350.0 4.5%	298.5 4.2%	-100.0 -1.3%	-48.5 -1.0%
Net income (loss)	125.0 1.6%	180.0 2.3%	137.4 1.9%	-55.0 -0.7%	-12.4 -0.3%

Key Points of Revised Business Forecast for FY2007

- **Operating income for Semiconductor business is lower than forecast in October 2007, primarily on declines in sales prices of NAND flash memories.**
- **The costs of discontinuation of the HD DVD business have impacted on FY2007 results.**
- **The PC business and the Social Infrastructure segment have seen strong performances in operating income against the October 2007 forecast.**

FY2007 Forecast Segment Information

(¥ billions)

Net sales	FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Digital Products	2,960.0	3,050.0	2,805.5	-90.0	154.5
Electronic Devices	1,730.0	1,800.0	1,657.3	-70.0	72.7
Social Infrastructure	2,430.0	2,400.0	2,067.7	30.0	362.3
Home Appliances	780.0	770.0	748.9	10.0	31.1
Others	400.0	400.0	391.6	0.0	8.4
Total	7,700.0	7,800.0	7,116.4	-100.0	583.6
Operating income (loss)	FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Digital Products	13.0 0.4%	10.0 0.3%	15.8 0.6%	3.0 0.1%	-2.8 -0.2%
Electronic Devices	67.0 3.9%	140.0 7.8%	119.7 7.2%	-73.0 -3.9%	-52.7 -3.3%
Social Infrastructure	127.0 5.2%	120.0 5.0%	96.8 4.7%	7.0 0.2%	30.2 0.5%
Home Appliances	12.0 1.5%	11.0 1.4%	9.7 1.3%	1.0 0.1%	2.3 0.2%
Others	14.0 3.5%	9.0 2.3%	18.7 4.8%	5.0 1.2%	-4.7 -1.3%
Total	230.0 3.0%	290.0 3.7%	258.4 3.6%	-60.0 -0.7%	-28.4 -0.6%

Forecast of FY2007 Non-Operating Income and Expenses

(¥ billions)

	FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Gain on sales of securities	32.0	25.0	62.6	7.0	-30.6
Gain on sales of fixed assets	132.0	130.0	25.1	2.0	106.9
Equity in earnings of affiliates	28.0	24.0	27.9	4.0	0.1
Foreign Exchange Gain (loss)	-10.0	-5.0	14.6	-5.0	-24.6
Net Financial Income (loss)	-15.0	-15.0	-7.6	0.0	-7.4
Effect of change in Accounting for Estimation of Salvage Value	-47.0	-42.0	0.0	-5.0	-47.0
Cost of discontinuation of the HD DVD business	-45.0	0.0	0.0	-45.0	-45.0
Others	-55.0	-57.0	-82.5	2.0	27.5
Non-operating income and expenses (total)	20.0	60.0	40.1	-40.0	-20.1

FY2007 Forecast by Industry Segment

(¥ billions)

		FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
PC	Net Sales	1,045.0	1,020.0	971.8	25.0	73.2
	Operating income (loss) %	40.0 3.8%	28.0 2.7%	6.9 0.7%	12.0 1.1%	33.1 3.1%
Semi- conductors	Net Sales	1,390.0	1,440.0	1,298.1	-50.0	91.9
	Operating income (loss) %	85.0 6.1%	150.0 10.4%	128.3 9.9%	-65.0 -4.3%	-43.3 -3.8%
LCD	Net Sales	285.0	287.0	309.1	-2.0	-24.1
	Operating income (loss) %	-12.0 -4.2%	-8.0 -2.8%	6.5 2.1%	-4.0 -1.4%	-18.5 -6.3%
Power Systems	Net Sales	895.0	868.0	611.3	27.0	283.7
	Operating income (loss) %	53.0 5.9%	49.0 5.6%	24.7 4.0%	4.0 0.3%	28.3 1.9%
Medical Systems	Net Sales	390.0	397.0	366.3	-7.0	23.7
	Operating income (loss) %	29.0 7.4%	30.0 7.6%	29.1 7.9%	-1.0 -0.2%	-0.1 -0.5%

FY2007 Forecast for Semiconductor Business

(¥ billions)

Net sales	FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Discrete	250.0	263.0	241.9	-13.0	8.1
System LSI	602.0	597.0	603.0	5.0	-1.0
Memory	538.0	580.0	453.2	-42.0	84.8
Semiconductor Total	1,390.0	1,440.0	1,298.1	-50.0	91.9

Operating income (loss)	FY2007 (A)	Forecast as of Oct (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Semiconductor Total	85.0 6.1%	150.0 10.4%	128.3 9.9%	-65.0 -4.3%	-43.3 -3.8%

HD DVD Business

(¥ billions)

	FY2007 (A)	Initial Estimate (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Net sales	26.0	65.0	14.0	-39.0	12.0
Operating income (loss)	-65.0	-50.0	-34.0	-15.0	-31.0
Non-operating income and expenses	-45.0	0.0	0.0	-45.0	-45.0
Income (loss) before income taxes and minority interest	-110.0	-50.0	-34.0	-60.0	-76.0

About Dividend

- **Basic Dividend Policy**

While giving full consideration to such factors as the strategic investments necessary to secure medium- to long-term growth, Toshiba seeks to achieve continuous increases in its actual dividend payments, in line with a payout ratio in the region of 30%, on a consolidated basis.

- **Dividend for March 2008 (plan).**

Year-end dividend: 6 yen

Full-year dividend: 12 yen

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