

FY2007 First Quarter
Consolidated Business Results

Fumio Muraoka
Corporate Executive Vice President

July 27, 2007

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 3 months.

Key Points of FY2007 1Q

- Higher sales and improved operating income against the same period of the previous year, the highest 1Q figures in Toshiba Group's history.

Net sales: 1,664.6 billion yen (+ 211.8 billion yen, 115%)

Operating income: 21.2 billion yen (+ 0.4 billion yen)

Income before income taxes and minority interest: 34.0 billion yen (+ 12.1 billion yen)

Net income: 20.6 billion yen (+ 16.6 billion yen)

- The PC and Semiconductor businesses performed strongly; the Mobile Phone, HDD, and LCD businesses recorded lower operating income.

Operating income (against year-earlier period)

Semiconductor: 23.5 billion yen (+3.5 billion yen)

PC: 9.6 billion yen (+9.2 billion yen)

LCD: -5.5 billion yen (-4.8 billion yen)

- The FY 2007 first half forecast has been revised on the basis of the 1Q result.

Net sales: 3,500 billion yen → 3,600 billion yen

Operating income: 40 billion yen → 70 billion yen

Income before income taxes and minority interest: 30 billion yen → 70 billion yen

Net income: 10 billion yen → 40 billion yen

FY2007 1Q Consolidated Business Results

	FY 2007 (A)	FY 2006 (B)	(A)-(B)	(A)/(B)
Net sales	1,664.6	1,452.8	211.8	115%
Operating income (loss)	21.2 1.3%	20.8 1.4%	0.4 -0.1%	-
Income (loss) before income taxes and minority interest	34.0 2.0%	21.9 1.5%	12.1 0.5%	-
Net income (loss)	20.6 1.2%	4.0 0.3%	16.6 0.9%	-
Basic earnings per share	¥6.42	¥1.26	¥5.16	-

(¥ in billions, except earnings per share)

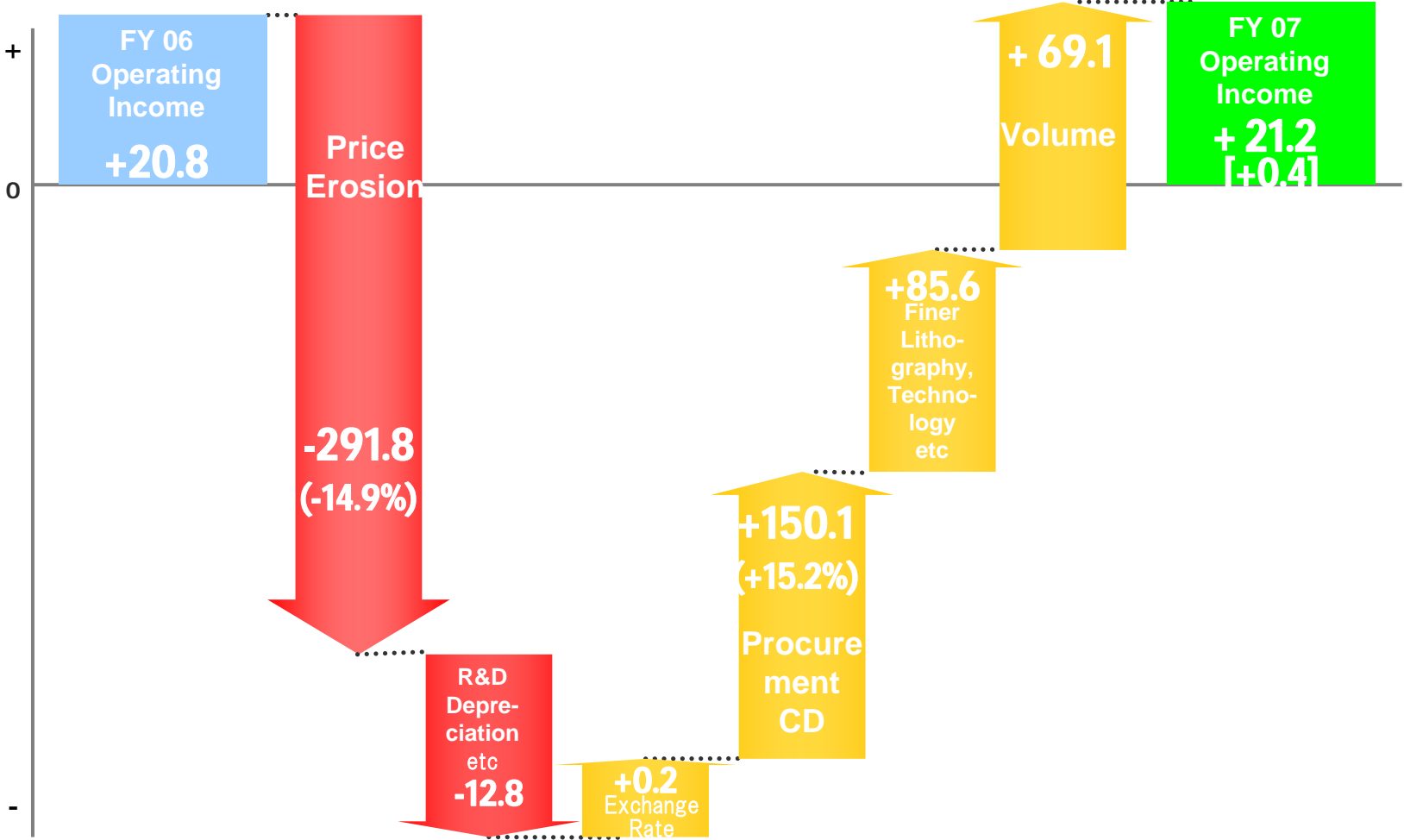
FY2007 1Q Segment Information

Net sales	FY2007 (A)	FY2006 (B)	(A) - (B)	(A) / (B)	(¥ billions)
Digital Products	663.9	623.4	40.5	106%	
Electronic Devices	375.6	323.5	52.1	116%	
Social Infrastructure	468.7	368.7	100.0	127%	
Home Appliances	186.7	174.9	11.8	107%	
Others	101.0	86.7	14.3	116%	
Total	1,664.6	1,452.8	211.8	115%	
Operating income (loss)	FY2007 (A)	FY2006 (B)	(A) - (B)	(A) / (B)	
Digital Products	-2.3 -0.4%	1.9 0.3%	-4.2 -0.7%	-	
Electronic Devices	16.7 4.5%	15.8 4.9%	0.9 -0.4%	105%	
Social Infrastructure	0.9 0.2%	2.8 0.8%	-1.9 -0.6%	33%	
Home Appliances	-2.6 -1.4%	-2.5 -1.4%	-0.1 0.0%	-	
Others	8.7 8.6%	3.2 3.7%	5.5 4.9%	272%	
Total	21.2 1.3%	20.8 1.4%	0.4 -0.1%	102%	

Operating Income (Loss), FY 2006 1Q and FY2007 1Q

(¥ billions)

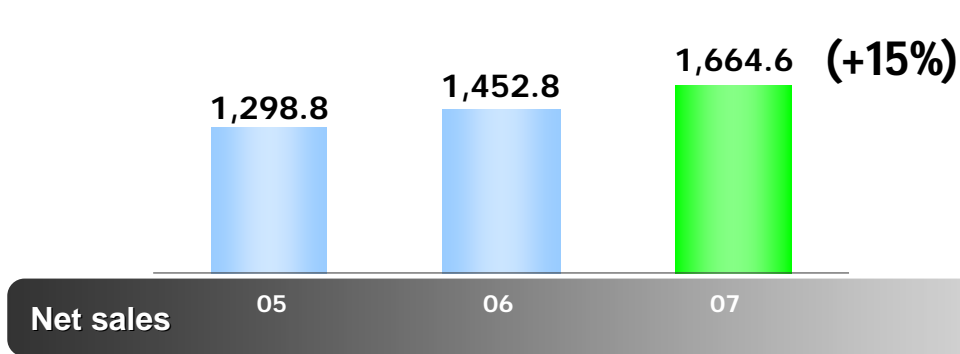
() = Year-on-year comparison



FY2007 1Q Results - Overview

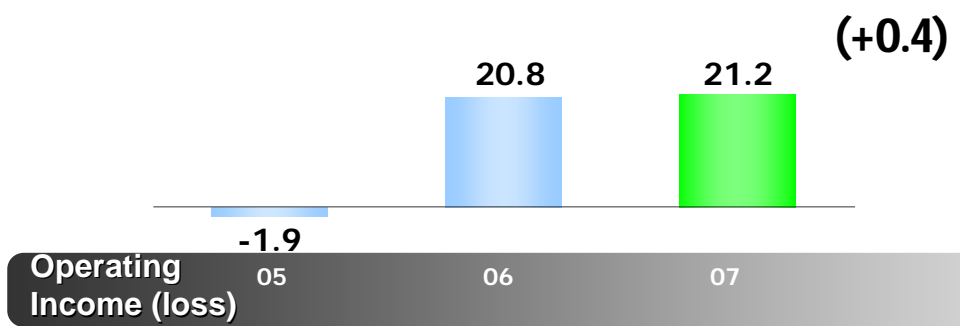
(¥ billions)

() = Year-on-year comparison



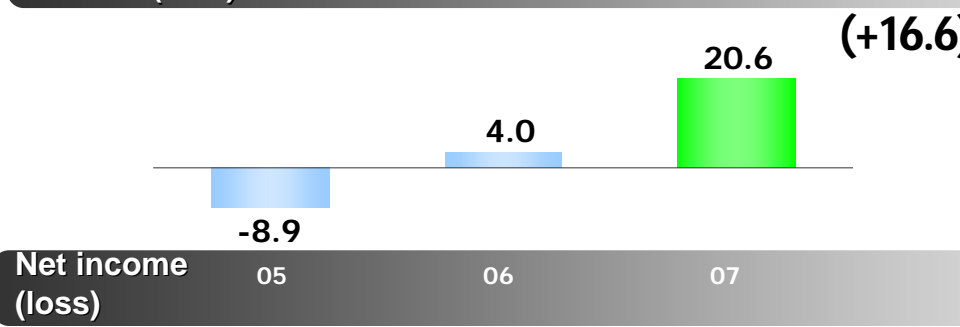
■ Net sales

All segments recorded higher sales.



■ Operating income (loss)

Electronic Devices performed well; Digital Products saw deteriorated income (loss).



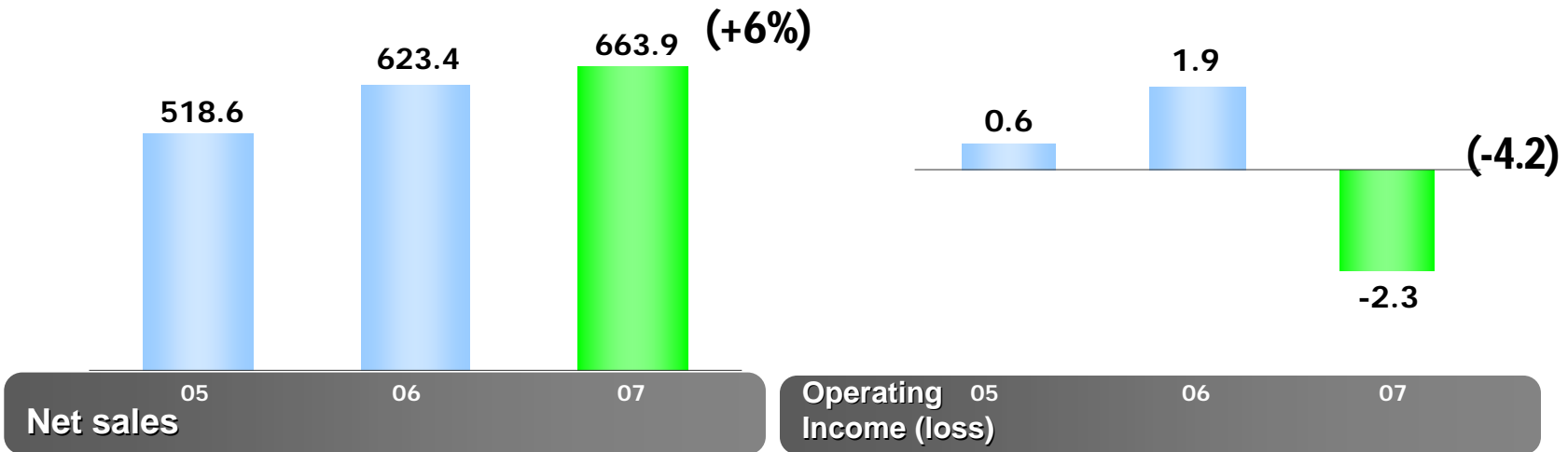
■ Net income (loss)

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

Digital Products FY 2007 1Q

(¥ billions)

() = Year-on-year comparison

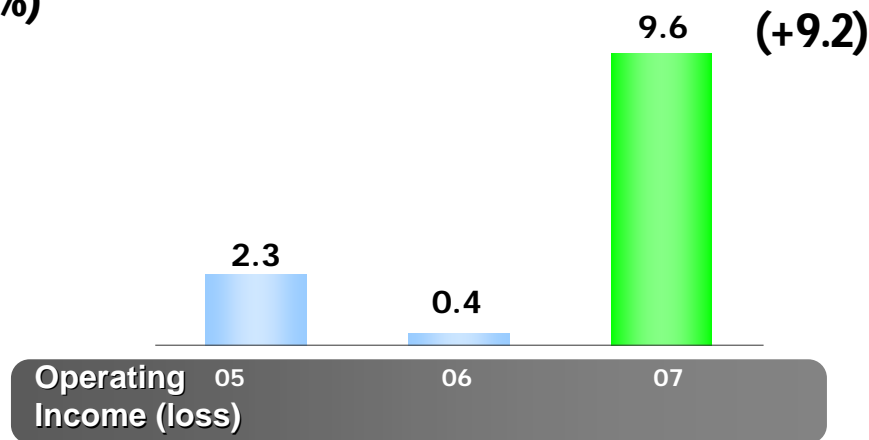
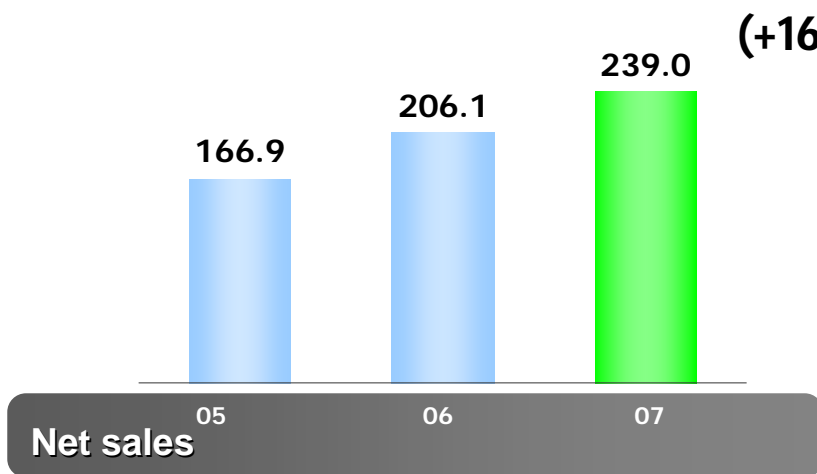


■ Positive growth in the PC business, especially in the U.S. market, generated higher sales.

■ While the PC business performed well, especially in the U.S., the Mobile Phone and HDD businesses posted lower operating income.

PC Business FY 2007 1Q

(¥ billions)
() = Year-on-year comparison



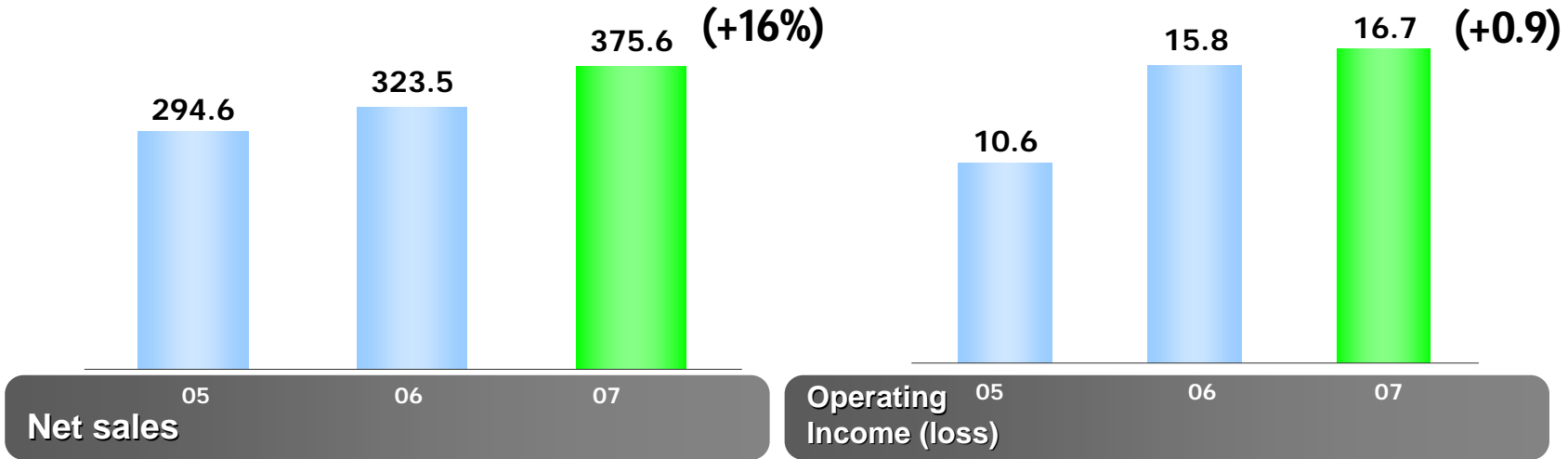
■ Overseas sales increased, especially in the U.S. market, contributing to increased sales.

■ An improved cost structure and higher sales generated higher operating income.

Electronic Devices FY 2007 1Q

(¥ billions)

() = Year-on-year comparison



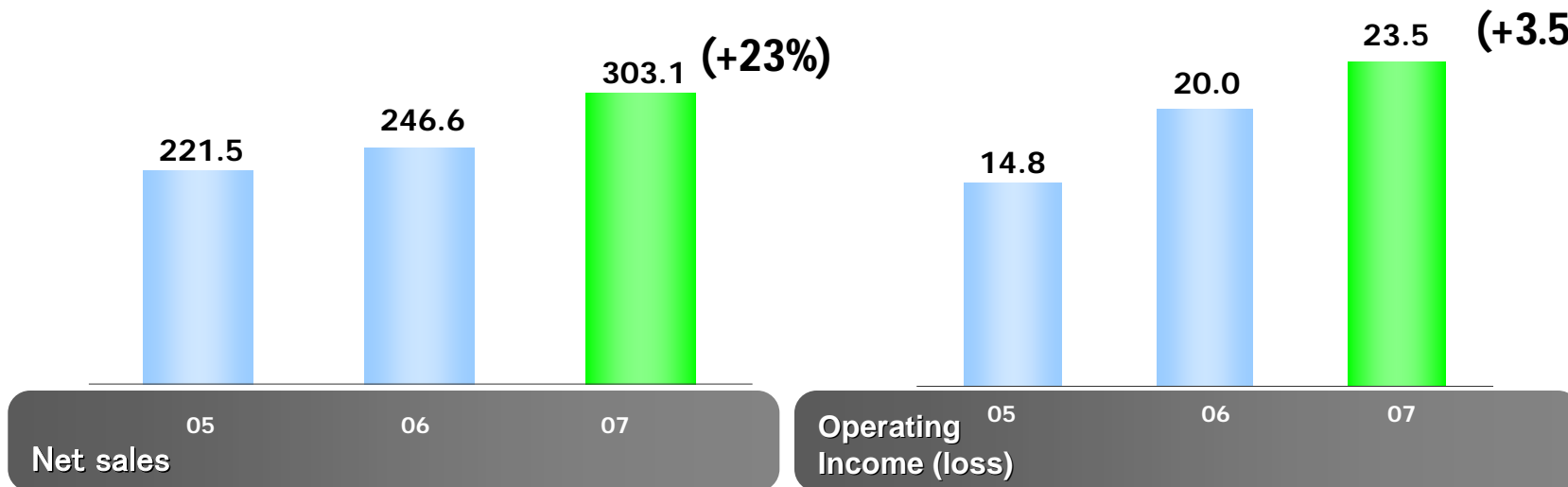
■ Despite a decrease in LCDs, strong performances in Memories and System LSIs resulted in increased sales.

■ Operating income deteriorated in the LCD business, but solid performances in the Semiconductor business, including System LSIs, resulted in higher operating income.

Semiconductor Business FY 2007 1Q

(¥ billions)

() = Year-on-year comparison



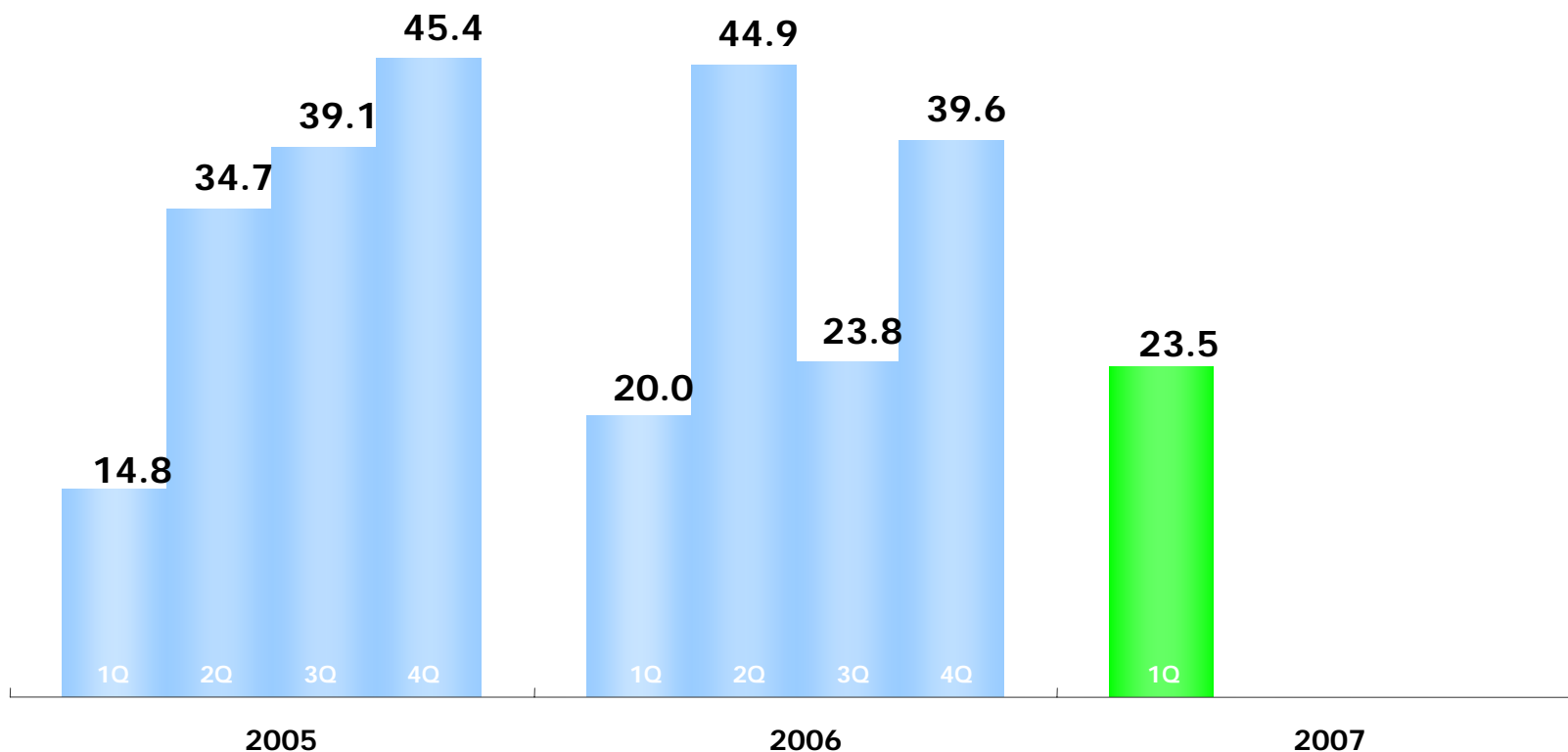
■ **Healthy performances in Memories and System LSIs increased sales.**

■ **Increased operating income reflected the improvements in System LSIs and the solid performance by Memories.**

Semiconductor Business

(¥ billions)

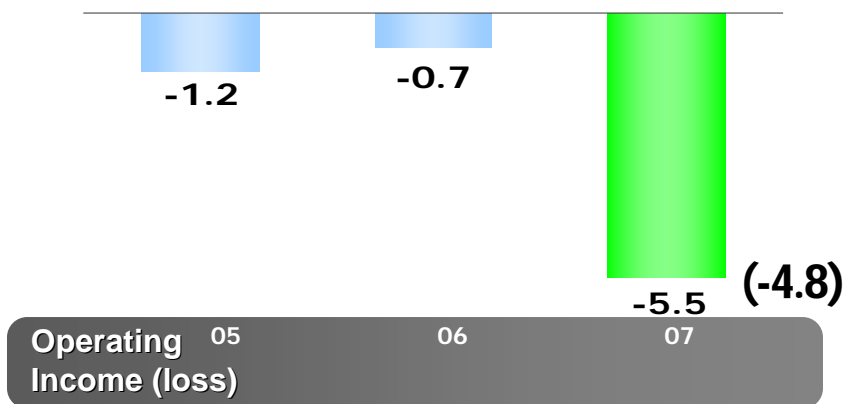
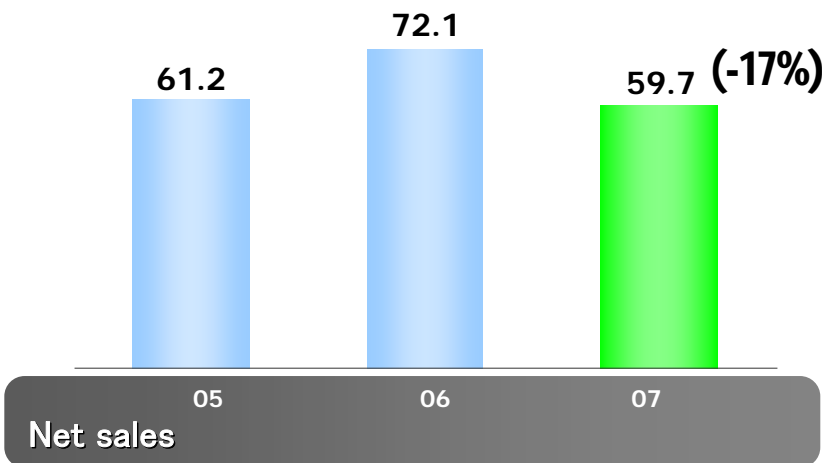
Quarterly Trend in Operating Income



LCD Business FY 2007 1Q

(¥ billions)

() = Year-on-year comparison



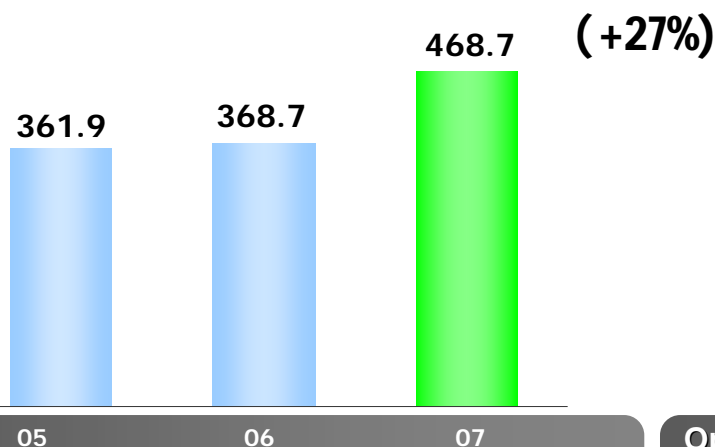
■ Deterioration in demand for mobile devices resulted in lower sales.

■ Declines in sales prices and lower unit sales for mobile devices led to deterioration in lower operating income (loss).

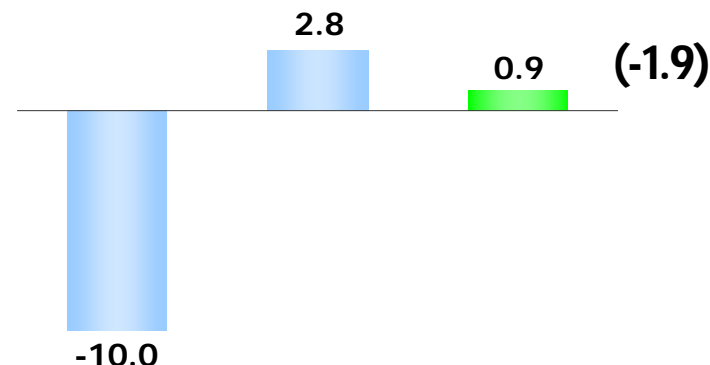
Social Infrastructure FY 2007 1Q

(¥ billions)

() = Year-on-year comparison



Net sales



Operating Income (loss)

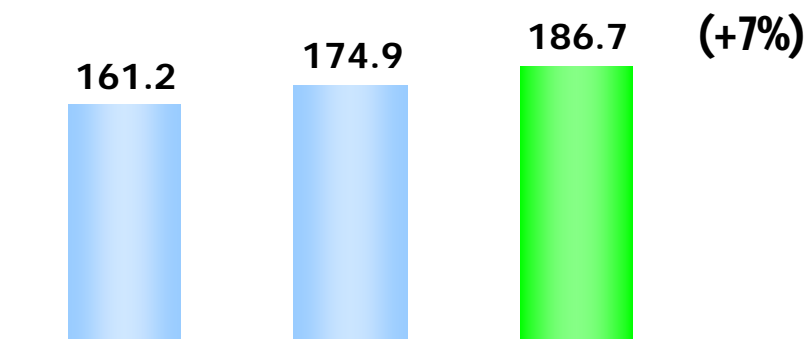
■ Strong performances in Power Systems, Industrial Systems and Medical Systems produced higher sales.

■ Operating income remained in the black, while performance of Broadcasting Systems declined, as Japanese broadcasters almost completed the transition to digital broadcasting.

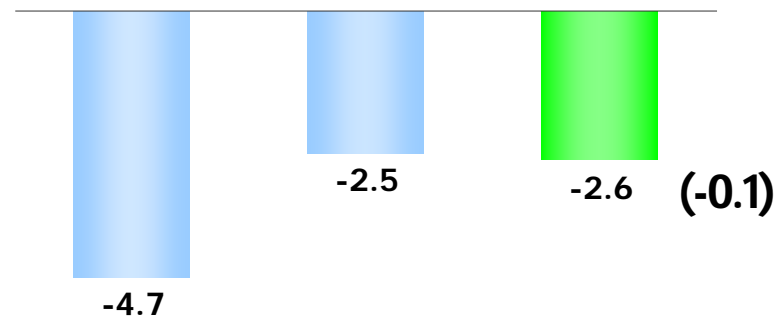
(¥ billions)

() = Year-on-year comparison

Home Appliances FY 2007 1Q

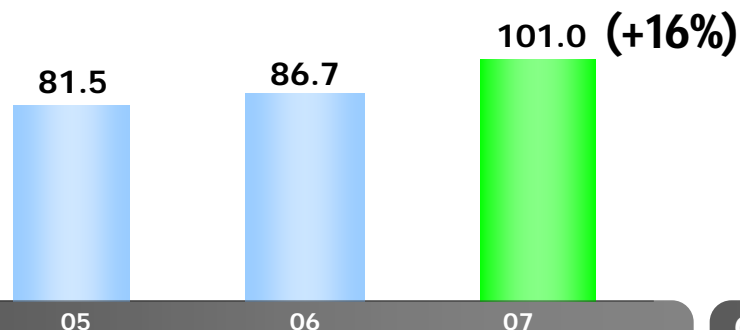


Net sales

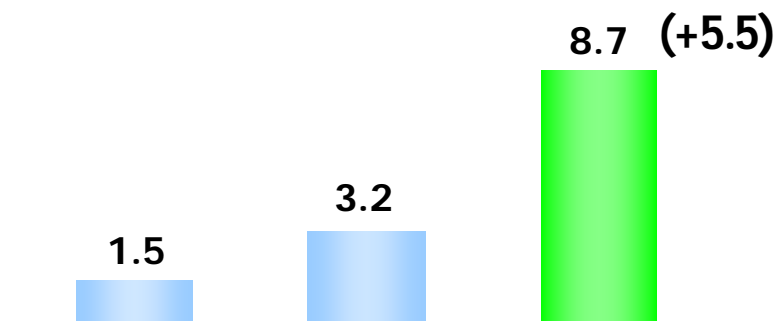


Operating Income (loss)

Others FY 2007 1Q



Net sales



Operating Income (loss)

Non Operating Income and Expenses FY 2007 1Q

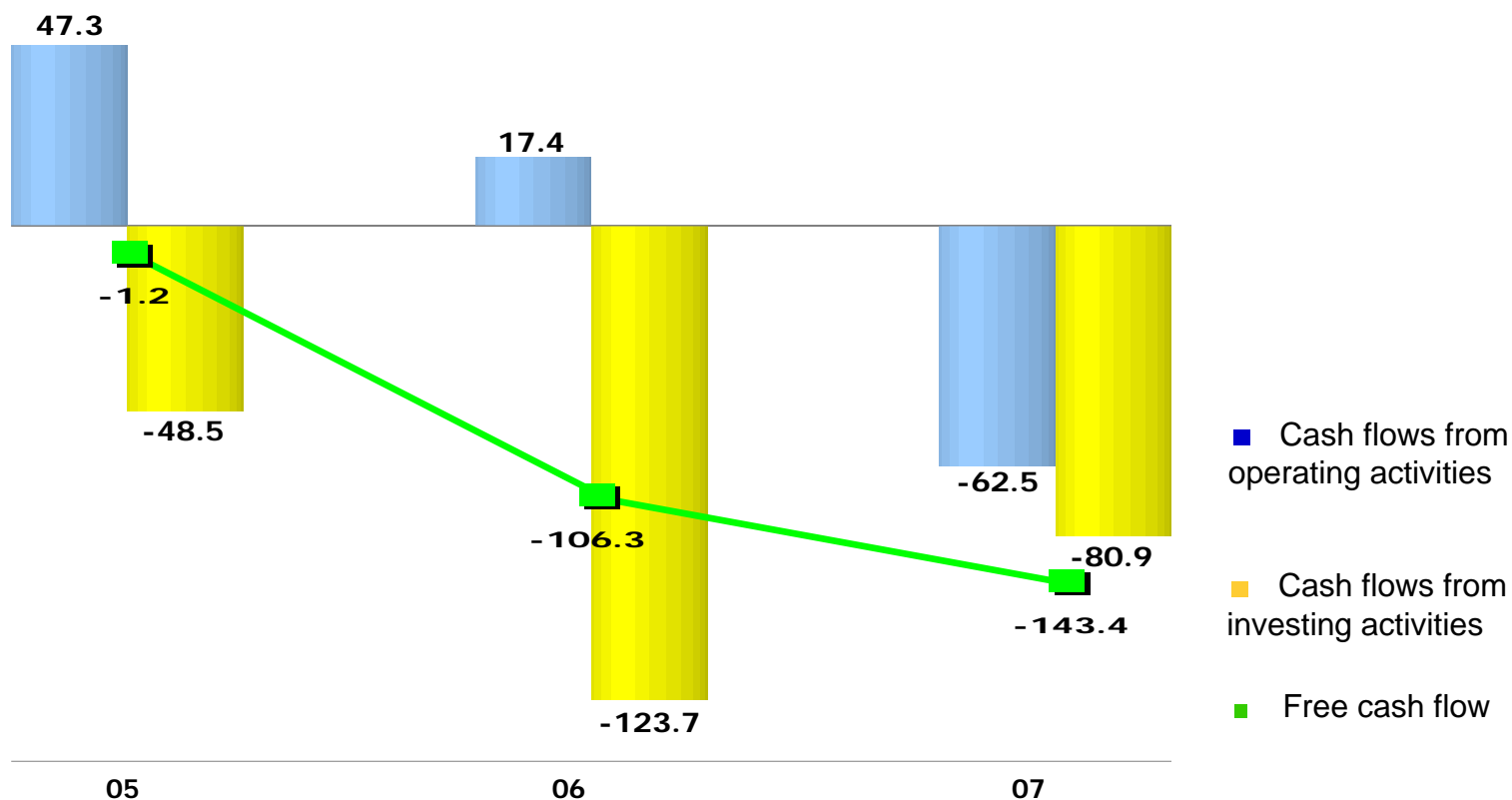
(¥ billions)

	FY2007 (A)	FY2006 (B)	(A)-(B)
Gain on sales of securities	13.4	0.0	13.4
Gain on sales of fixed assets	8.2	0.6	7.6
Equity in earnings of affiliates	4.2	7.6	-3.4
Foreign Exchange Gain (Loss)	-4.9	-2.9	-2.0
Net Financial Income (loss)	-3.2	-1.4	-1.8
Others	-4.9	-2.8	-2.1
Non operating income and expenses (total)	12.8	1.1	11.7

■ Profit from sale of Toshiba-EMI Ltd 12.7 billion yen

Cash Flows FY 2007 1Q

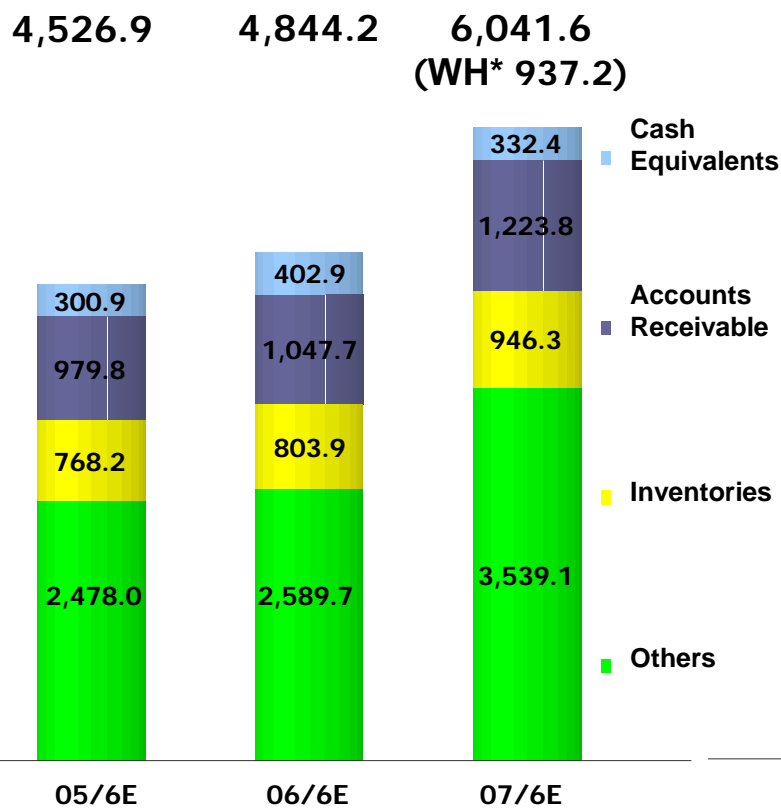
(¥ billions)



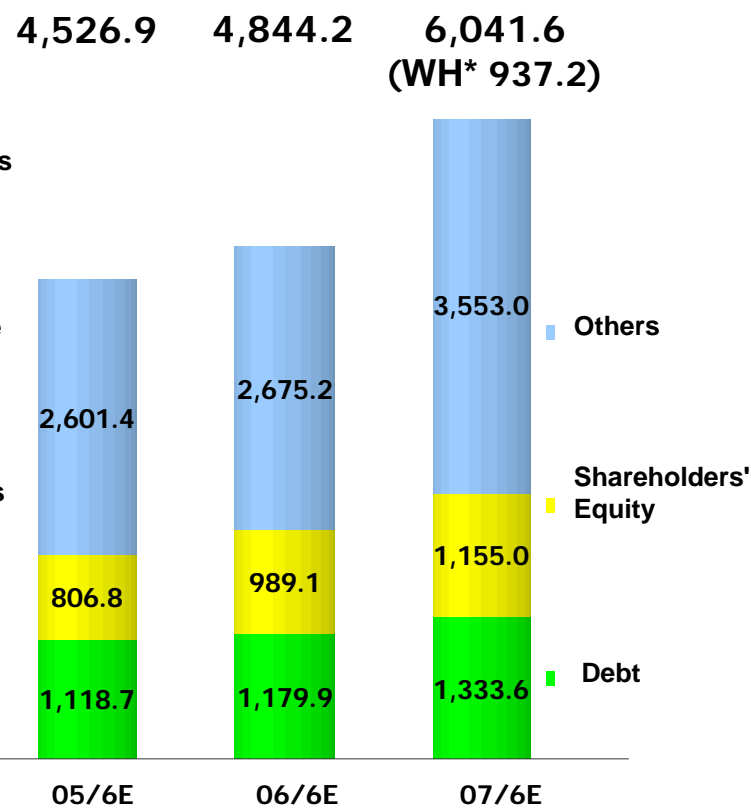
Consolidated Balance Sheets

(¥ billions)

Assets



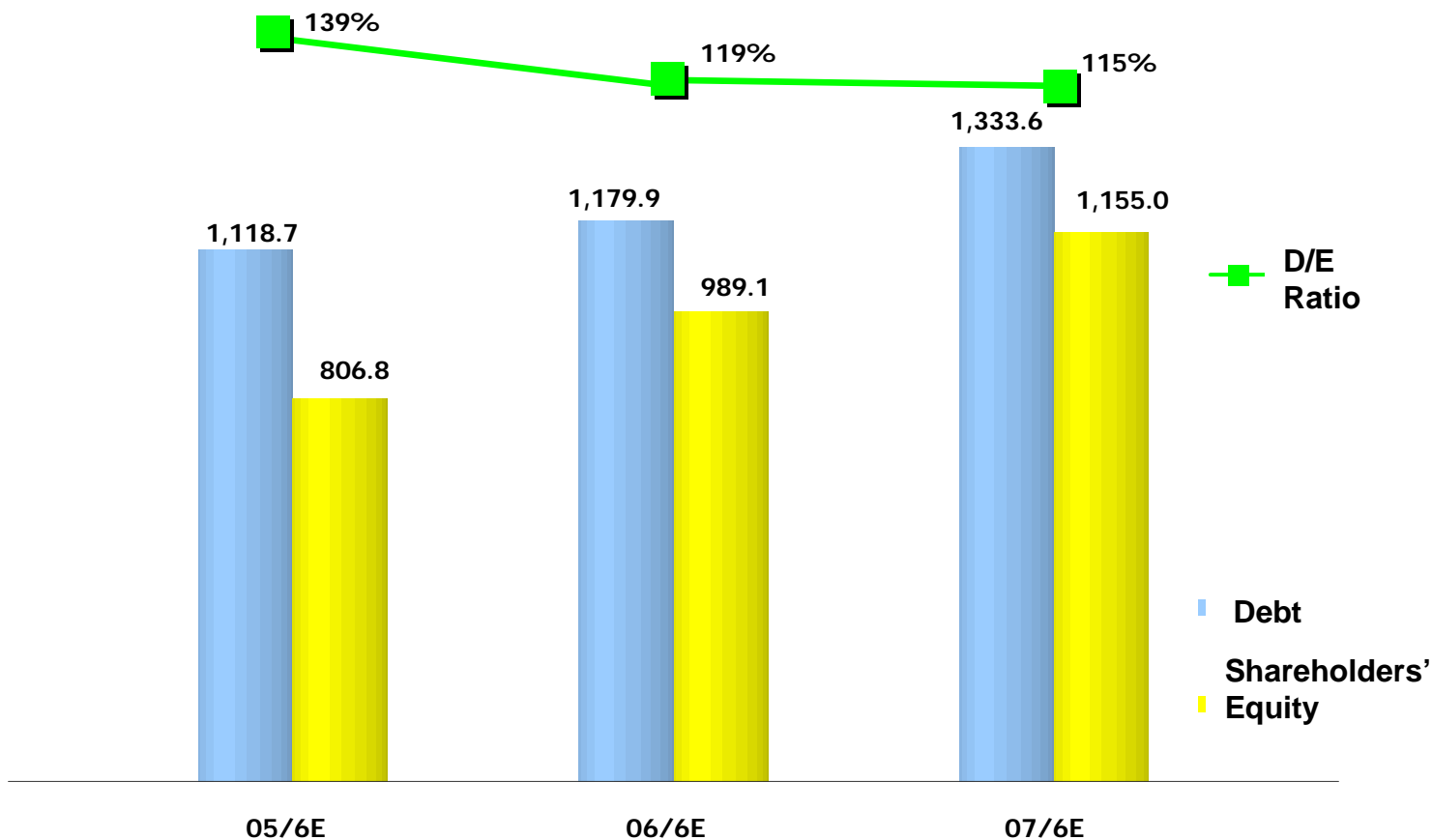
Liabilities and Shareholders' Equity



* WH = Westinghouse

D/E Ratio

(¥ billions)



Consolidated Forecast for FY2007 First Half

(¥ billions)

	FY2007 (Forecast) (A)	FY2007 (Forecast as of Apr.) (B)	FY2006 (Actual) (C)	(A) - (B)	(A) - (C)
Net sales	3,600.0	3,500.0	3,162.0	100.0	438.0
Operating income (loss)	70.0 1.9%	40.0 1.1%	65.2 2.1%	30.0 0.8%	4.8 -0.2%
Income (loss) before income taxes and minority interest	70.0 1.9%	30.0 0.9%	83.7 2.6%	40.0 1.0%	-13.7 -0.7%
Net income (loss)	40.0 1.1%	10.0 0.3%	38.8 1.2%	30.0 0.8%	1.2 -0.1%

Segment Information

(Forecast for First Half of FY2007)

(¥ billions)

Net sales	FY2007 (A)	FY2007 (Forecast as of April) (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Digital Products	1,420.0	1,360.0	1,315.9	60.0	104.1
Electronic Devices	830.0	830.0	737.4	0.0	92.6
Social Infrastructure	1,060.0	1,000.0	829.1	60.0	230.9
Home Appliances	380.0	380.0	367.2	0.0	12.8
Others	190.0	190.0	186.4	0.0	3.6
Total	3,600.0	3,500.0	3,162.0	100.0	438.0

Operating income (loss)	FY2007 (A)	FY2007 (Forecast as of April) (B)	FY2006 (C)	(A) - (B)	(A) - (C)
Digital Products	-6.0 -0.4%	-8.0 -0.6%	-7.6 -0.6%	2.0 0.2%	1.6 0.2%
Electronic Devices	57.0 6.9%	42.0 5.1%	56.9 7.7%	15.0 1.8%	0.1 -0.8%
Social Infrastructure	17.0 1.6%	5.0 0.5%	10.6 1.3%	12.0 1.1%	6.4 0.3%
Home Appliances	-2.0 -0.5%	2.0 0.5%	1.1 0.3%	-4.0 -1.0%	-3.1 -0.8%
Others	5.0 2.6%	3.0 1.6%	6.2 3.3%	2.0 1.0%	-1.2 -0.7%
Total	70.0 1.9%	40.0 1.1%	65.2 2.1%	30.0 0.8%	4.8 -0.2%

TOSHIBA

Leading Innovation >>>