

Strategies for Growth: 2008

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TOSHIBA CORPORATION

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 that actual results may differ materially from our expectations.

Fiscal Year 2007 Business Results

Business Strategies toward FY2010

Basic Management Policy, FY2010 Vision
Roadmap for FY2010, Individual strategies
for the roadmap

Outline of Mid-term Plan

Sales & Operating Income, Capex, R&D

Strategies for Key Businesses

Digital Products, Electronic Devices,
Social Infrastructure, Home Appliances

FY2007 Results

**Sales reached record high (continuous sales growth since FY04).
Operating income down on HD DVD withdrawal and lower NAND prices.**
(Reflects non-operating loss of 48.4 billion for HD DVD. Income before taxes and net income both lower.)

(¥ billions)

	FY2007 (Result)	Comparison with FY2006
Net Sales	7,668.1	+551.7 8% increase
Operating Income	238.1 (3.1%)	- 20.3
Income before income taxes and minority interest	255.6 (3.3%)	-42.9
Net Income	127.4 (1.7%)	-10.0

Regain growth path with a strong determination to overcome challenges

Achievements in FY2007

Expansion of overseas business

Overseas sales: FY2006 ¥3.5 trillion → FY2007 ¥4.0 trillion
(share of total sales) (49%) (52%)

Overseas business CAGR (vs. FY2006): +13%

PC, Social Infrastructure saw gains in sales, operating income

FY2007 Operating income (vs. FY2006)

- PC: ¥41.2b (+34.3b)

- Social Infrastructure: +¥131.3b (+34.5b)

Increased sales of environmentally conscious products

FY2006: 27% → FY2007: 31%

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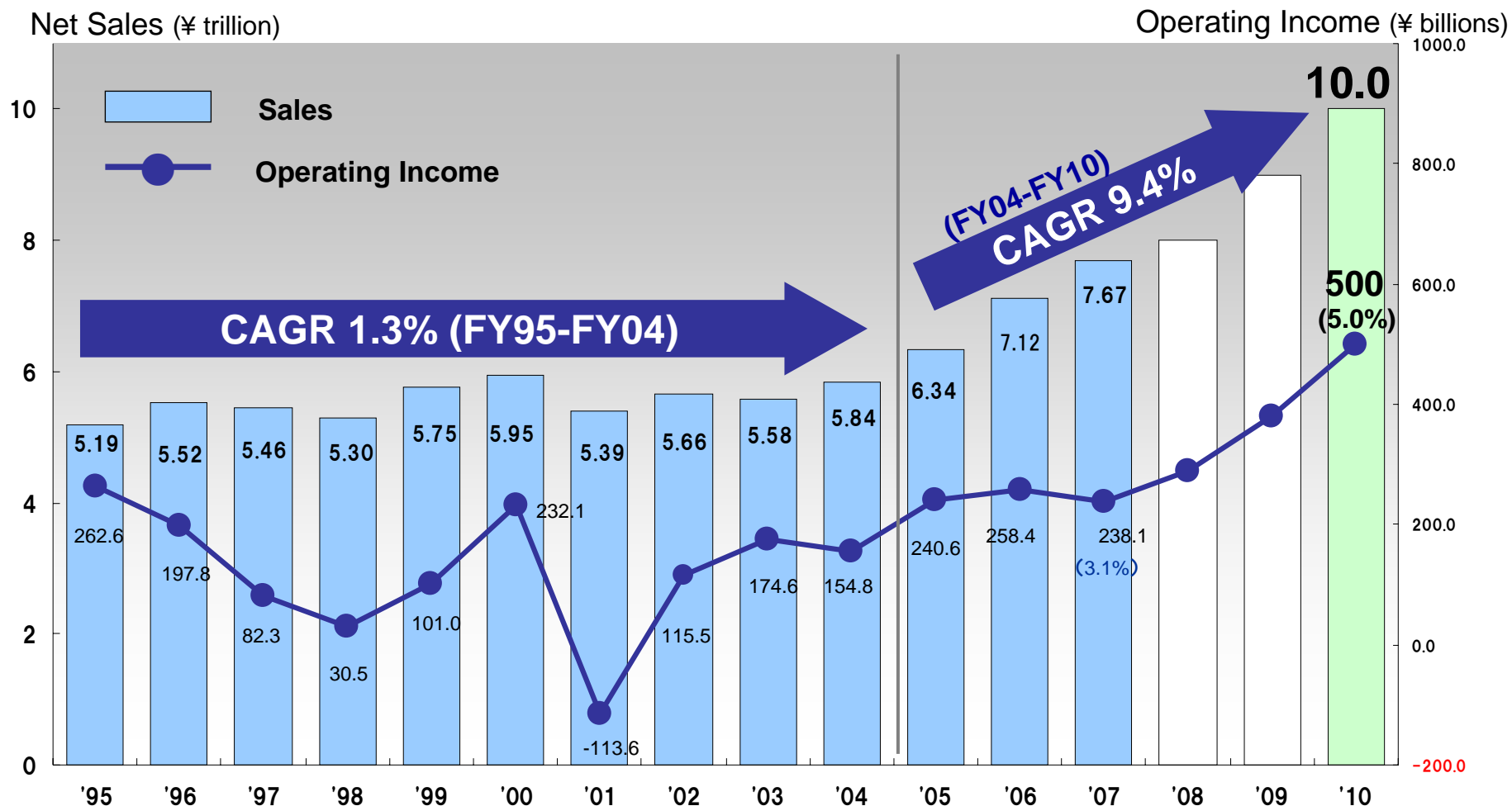
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Numerical targets for FY2010

Achieve sales of 10 trillion yen and operating income ratio of 5%



Stronger emphasis on achieving higher growth and more strategically effective allocation of resources

Basic Management Policy

Realize sustained growth with high profit

Shift management direction further toward growth and accelerate proactive management through strategic allocation of resources

Maximize multiplier effect of innovations

Enhance global competitiveness through Process Innovations and Value Innovations

Execute management with Corporate Social Responsibility

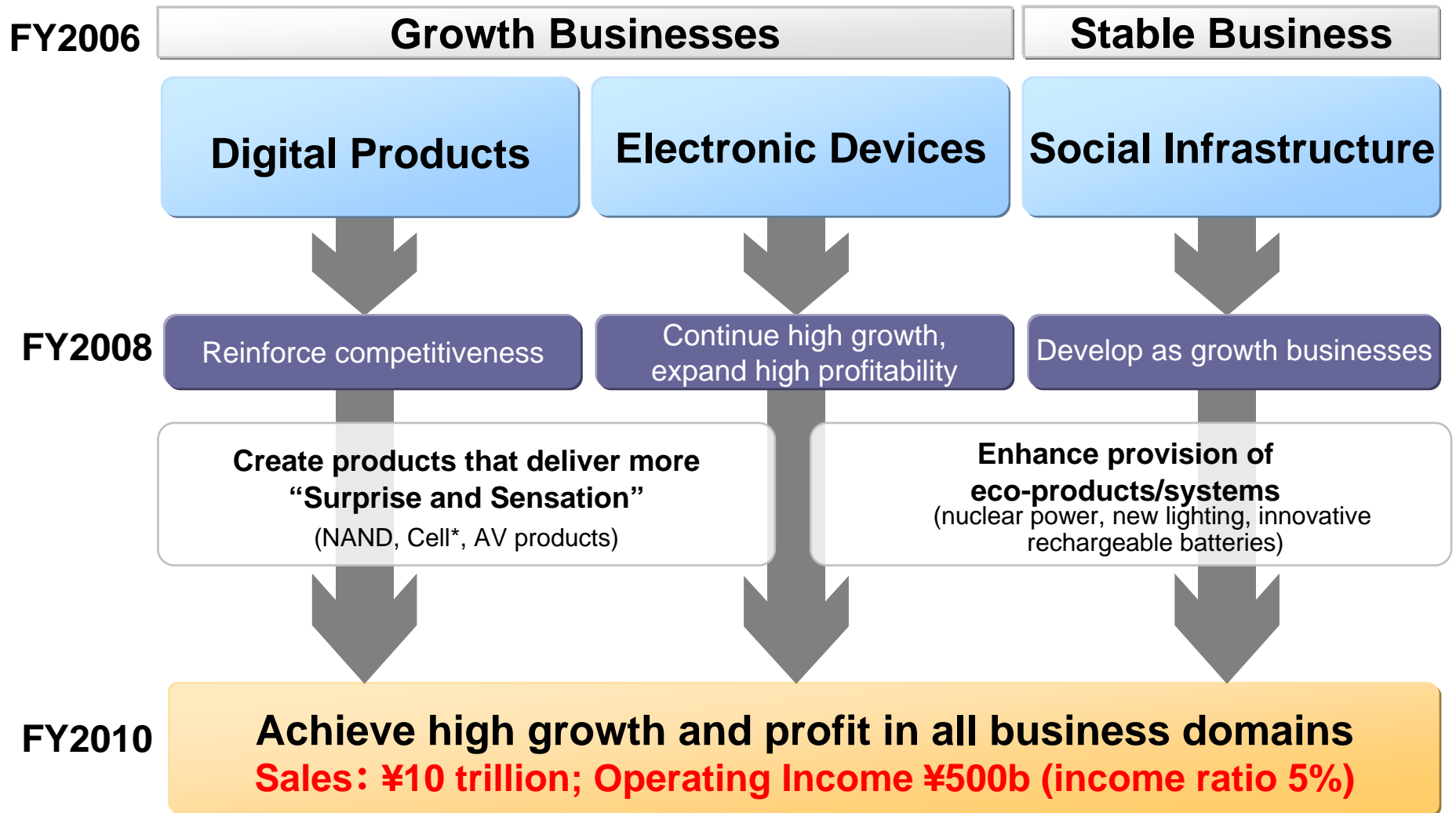
Prioritize human life and safety, and legal compliance in all business activities, and act as a “corporate citizen of planet Earth” in responding to social and environmental concerns.

Develop People with a Global Perspective

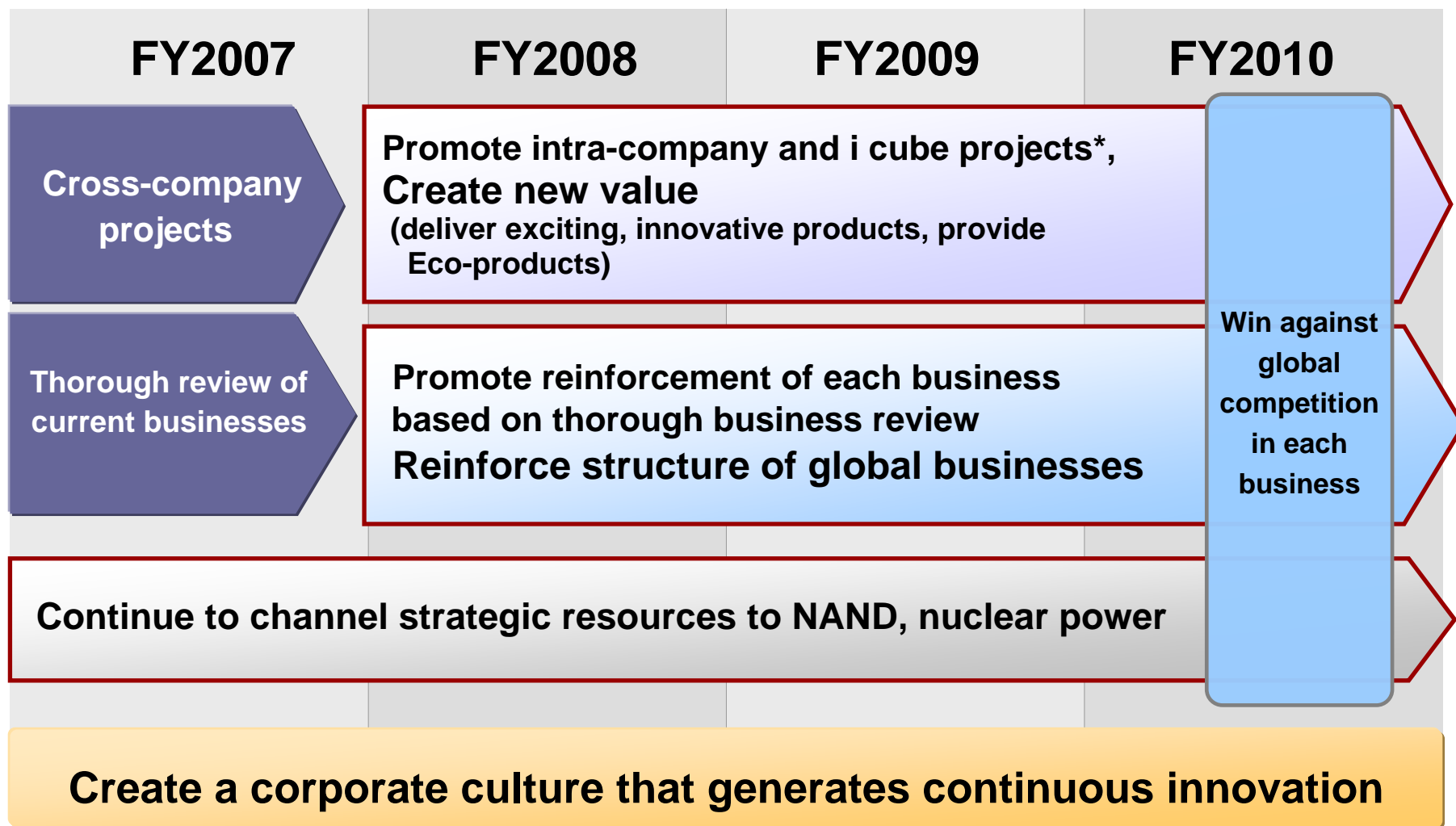
Accelerate a global presence by developing well-rounded people with a global perspective, able to drive innovation and to embrace diversity and different cultures.

Vision of FY2010

- Achieve Sustained Growth with High Profit in All Business Domains -



Roadmap to FY2010



Reinforce Global Business Organization

Realize sustained growth with high profit through global business expansion

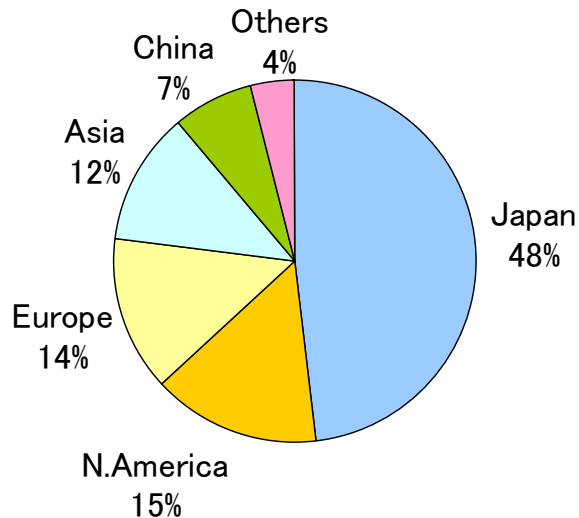
Share of net sales from overseas business: FY07:52% → FY10: 60%

Share of operating income from overseas business: FY07: 37% → FY10: 50%

Expand business, mainly in North America, Europe and Asia

FY07:

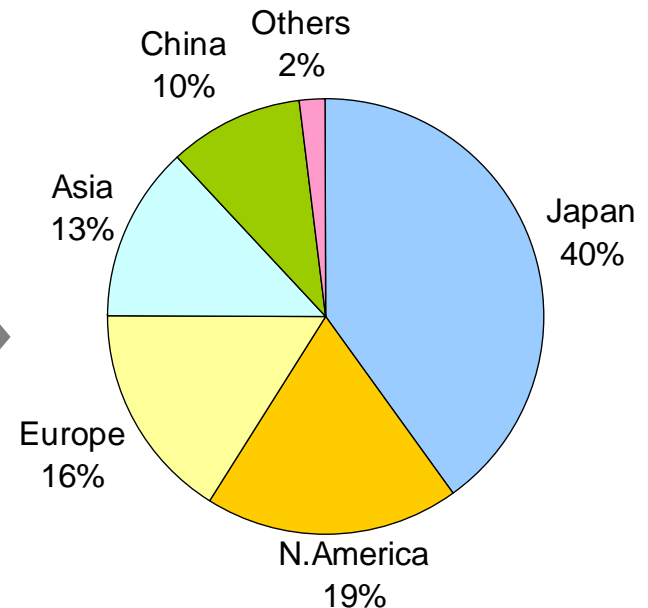
Overseas net sales: ¥4 trillion



Overseas
CAGR: 15%

FY10:

Overseas net sales: ¥6 trillion



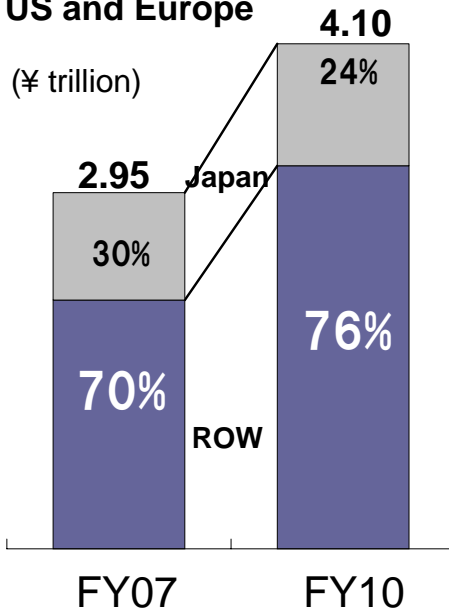
Reinforce Global Business Organization

Expand global business in all key business domains

Digital Products

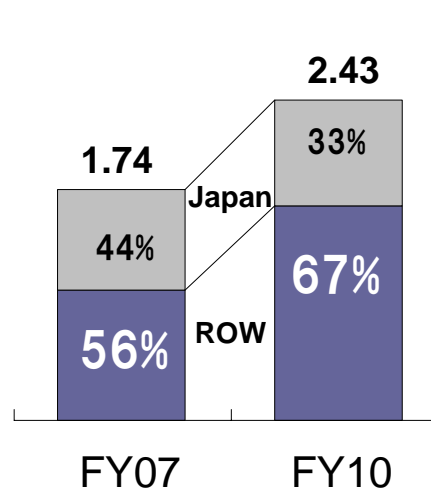
Expand PC business in global markets

Expand Television business in US and Europe



Electronic Devices

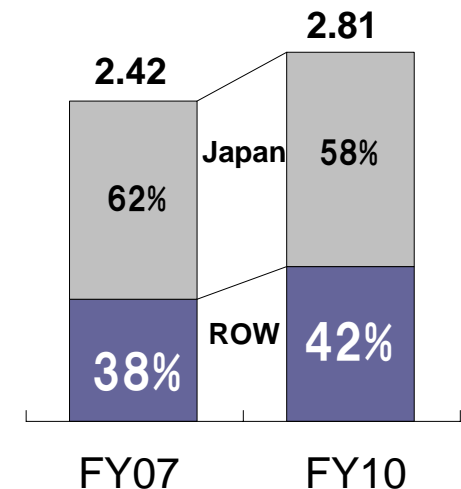
Expand business in China and other Asian countries, mainly in semiconductors and automotive displays



Social Infrastructure

Accelerate global businesses in Power and Medical Systems

Enhance global business for Transmission & Distribution business



Reinforce Global Business Organization

Reinforce human resources

**Increase staff handling global business:
FY2010: +16,000 (vs. FY2007)**

Develop people with a global perspective
More than 2,000 people in Japan including new hires
(FY2008-FY2010 cumulative)

Reinforce Marketing & Sales

**Expand and reinforce marketing capabilities,
especially in India, Eastern Europe and Brazil**

Increase brand and product advertising

**Invest 30 billion yen to expand marketing and sales in
newly emerging markets.**
(excluding personnel costs, 2008-2010 cumulative)

Reinforce cost competitiveness

**Expand manufacturing,
especially in India, Southeast Asia and China**

Create Value — Surprise and Sensation

SSD^{*1} with multi-level NAND



(sales to start in June 2008)



Use multi-level cell technology to supply high performance, cost competitive products

AV notebook PC with SpursEngine™ SE1000^{*2}

With SpursEngine™ SE1000



(sales to start in 2008)

AV notebook PC with SpursEngine™ media processor upscales standard picture quality to high-quality picture content

TV integrating Cell^{*3}

(sales to start in autumn 2009)



New way of enjoying TV with super-resolution function and simultaneous multi-recording, playback function

Aquilion ONE™ 320 dynamic volume CT^{*4} scanner

(sales started in April 2008)



- New-generation CT scanner is most patient-friendly ever
- Single rotation scan of whole organ greatly reduces burdens on patients
- Cuts exposure to radiation to 1/4.

^{*4} Aquilion ONE is a trademark of Toshiba Medical Systems Corporation

^{*1} SSD: Solid State Drive

^{*2} SpursEngine™ SE1000: Toshiba's high-performance media streaming processor

^{*3} Cell: Cell Broadband Engine™, is a next-generation microprocessor with a multi-core architecture

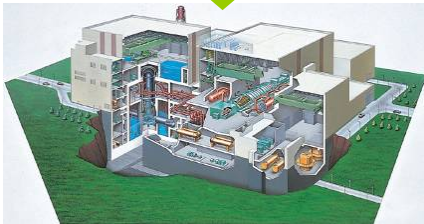
that supports high-speed data transfers for data-rich media applications. ^{*4} CT: Computed Tomography system

Create Value — Provide Environmentally Conscious Products

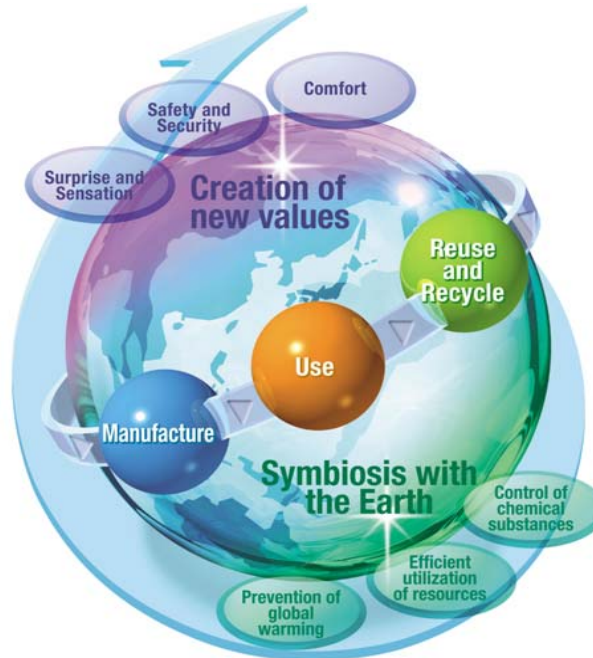
Environmental Vision 2050

Three approaches to promoting environmental management

Energy Approach



Nuclear Power



Eco-process Approach



Highly efficient clean room

Eco-products Approach



Resource saving, mercury-free, low power consumption PC

Deliver environmentally conscious products



Highly efficiency LED downlight, "E-CORE"

Eco-products

Digital Products, Electronic Devices & Components, Home Appliances

Fuel cells



Fuel cells for mobile phones (prototype)

- Realizes use in small mobile devices; no need for battery or external power supply
- Biomethanol fuel will assure effective resource utilization

OLED Displays

(sale to start in 08)

Two- to three-inch class WQVGA*1 for cell phones



- Thin display offering high-speed refresh, wide viewing angle and high-contrast; energy-saving (1/3 power consumption of LCD)

*1 WQVGA: Wide Quarter Video Graphics Array (400x240 pixel)

Self-ballasted fluorescent lamps

(on sale)



Winner of "Chairman's Award",
18th Energy Conservation Awards



Microinverter

- 1/5 power consumption,
6 times longer life
(vs. filament lamp)

Washer-dryers

(on sale)



- "Super-Direct Drive" *2 heat pump hybrid engine
Energy-saving, speed, low-noise: No.1

*2 New type direct drive motor.

Eco-products

Social Infrastructure Systems

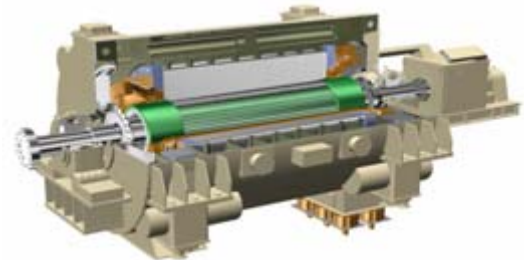
Advanced transformer



(on sale)

- Energy-saving transformer for business (factories, buildings) cuts energy consumption by about 40%

Environmentally friendly turbo-generator



(on sale)

- Small and light, high-efficiency, reduced-emission-type turbo-generator (reduce environmental loads, including CO₂)

Innovative rechargeable battery (SCiB™)



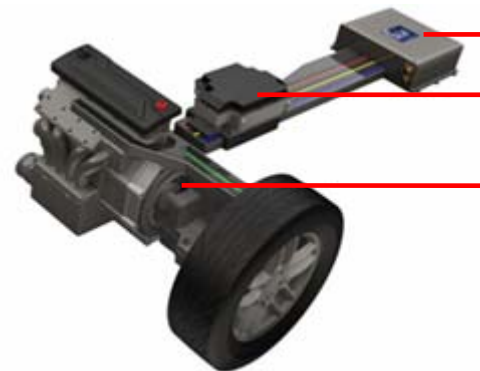
Battery pack, cell (on sale)



Electric scooter, ELE-ZOO, converted by Toshiba (prototype)

- Excellent safety—no risk of thermal runaway
- Long-life cycle: recharges over 5,000 times.
- Recharges in only 5 minutes

HEV Drive Systems



In-car SCiB™ (under development)

Inverter (on sale), IGBT module (under development)

motor/generator (on sale)

- Deliver 3 key parts (motor, inverter, battery) of HEV drive systems
- Highly efficient component technology realizes fuel-efficient drives

Ease Environmental Impacts with Energy and Eco-products

2006

2010

2025

Contributions from Energy



Nuclear Power
1/45 the CO₂ emissions of a
coal-fired thermal power

4.2m tons
CO₂/year

14m tons
CO₂/year

47m tons
CO₂/year

Contributions from Products



Highly efficiency LED downlight E-CORE
1/7 the CO₂ emissions of a filament lamp

4.3m tons
CO₂/year

6.3m tons
CO₂/year

10.6m tons
CO₂/year

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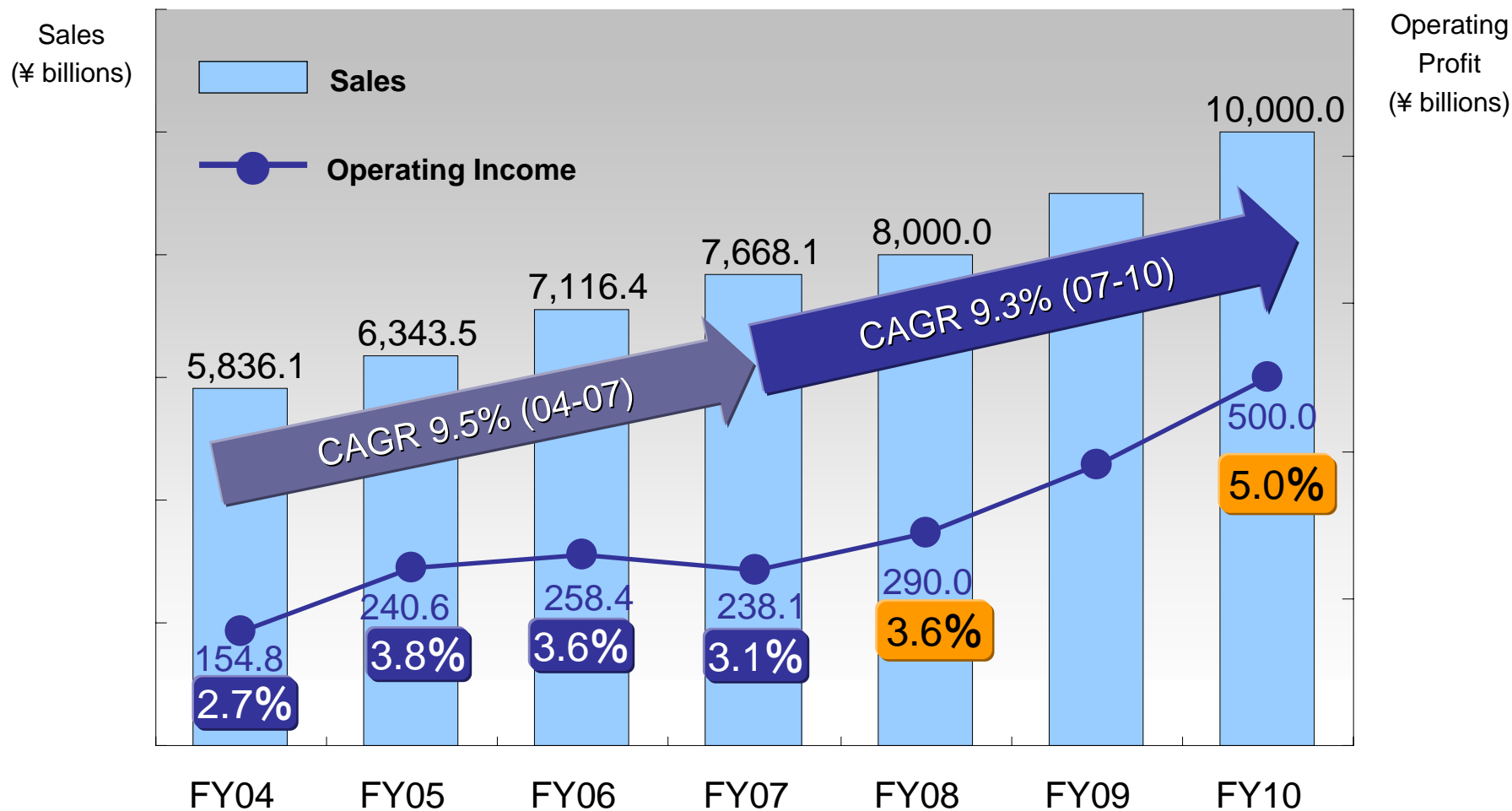
Strategies for Key Businesses

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Projected Sales and Operating Profit

FY2010: Sales 10 trillion yen; Operating Profit 500 (¥ billions)

Accelerate proactive management by further shift to growth areas and strategic allocation of resources



Goals by Business Segment

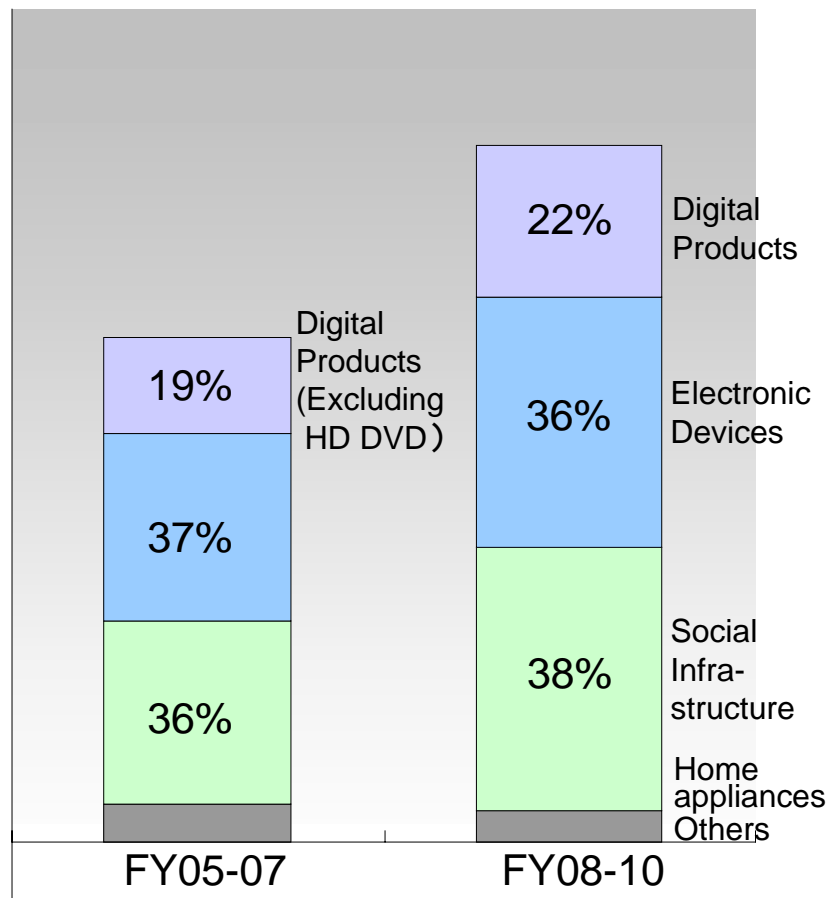
Digital Products and Electronic Devices: Continue High Growth
Social Infrastructure: Transition to Higher Growth

		FY2007 Result	FY2010 Plan	CAGR FY07-10
Digital Products	Net sales	2,951.2	4,100.0	12%
	Operating income ratio	0.5%	2.4%	
Electronic Devices	Net sales	1,738.5	2,430.0	12%
	Operating income ratio	4.3%	8.2%	
Social Infrastructure	Net sales	2,419.0	2,810.0	5% FY06-FY10: 8%
	Operating income ratio	5.4%	6.0%	
Home Appliances	Net sales	774.3	940.0	7%
	Operating income ratio	0.5%	2.1%	

(¥ billions)

Operating Income, by Key Domain

Expand stable profit of Social Infrastructure
Secure Digital Products as the third pillar of profit



Proportion of Operating Income in FY2010

Digital Products

Increase Operating Income 2.4%

- ◎ Expand profit in PC business, imaging business
- ◎ Improve profit in AV business

Electronic Devices

Increase Operating Income 8.2%

- ◎ Expand profit of NAND, Discrete businesses
- ◎ Improve profit of System LSI, Display businesses

Social Infrastructure

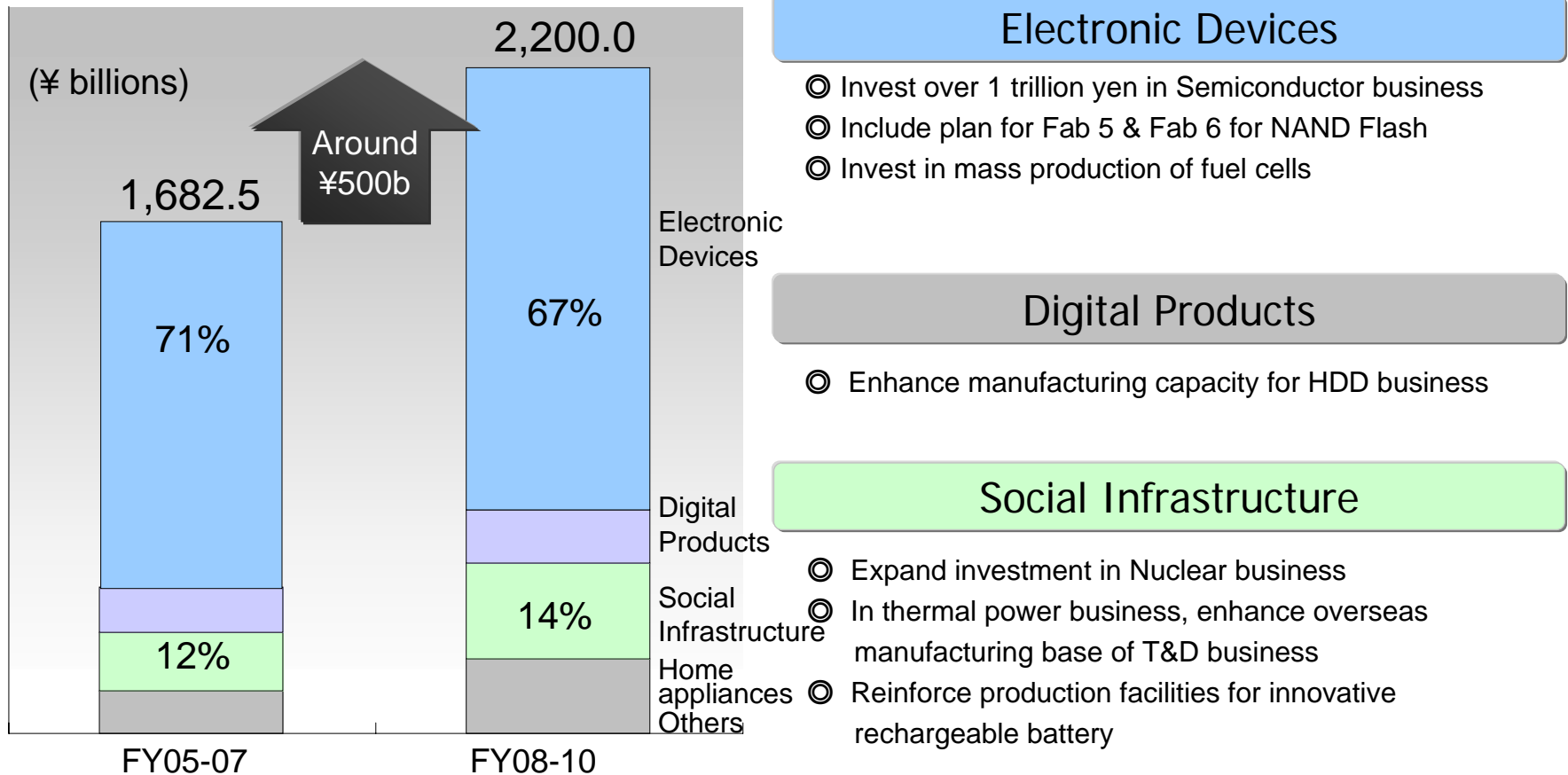
Increase Operating Income 6.0%

- ◎ Expand profit in all business areas including Power Systems and Medical Systems

Capex Plan

Increase capex by ¥500 billion in the next three years
Boost investment in Electronic Devices, Social Infrastructure

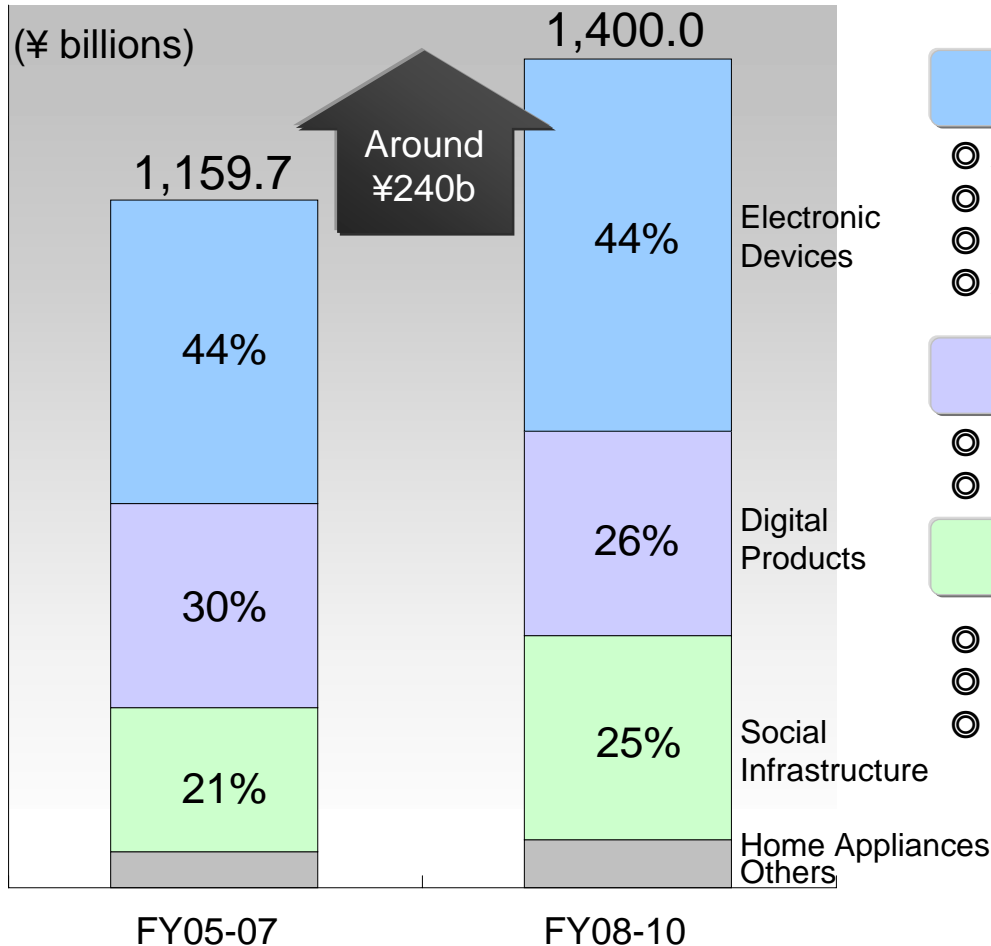
※ Excludes investment, such as acquisition of WEC



Research & Development Plan

Raise R&D spending by ¥240b in three years from FY08

R&D expenditure equivalent to 5.2% of net sales over FY08-10



Electronic Devices

- ◎ Advanced semiconductor process technology
- ◎ Future generation memory (2Xnm NAND)
- ◎ Memory, storage (SSD) technology
- ◎ Advanced SoC* technology

Digital Products

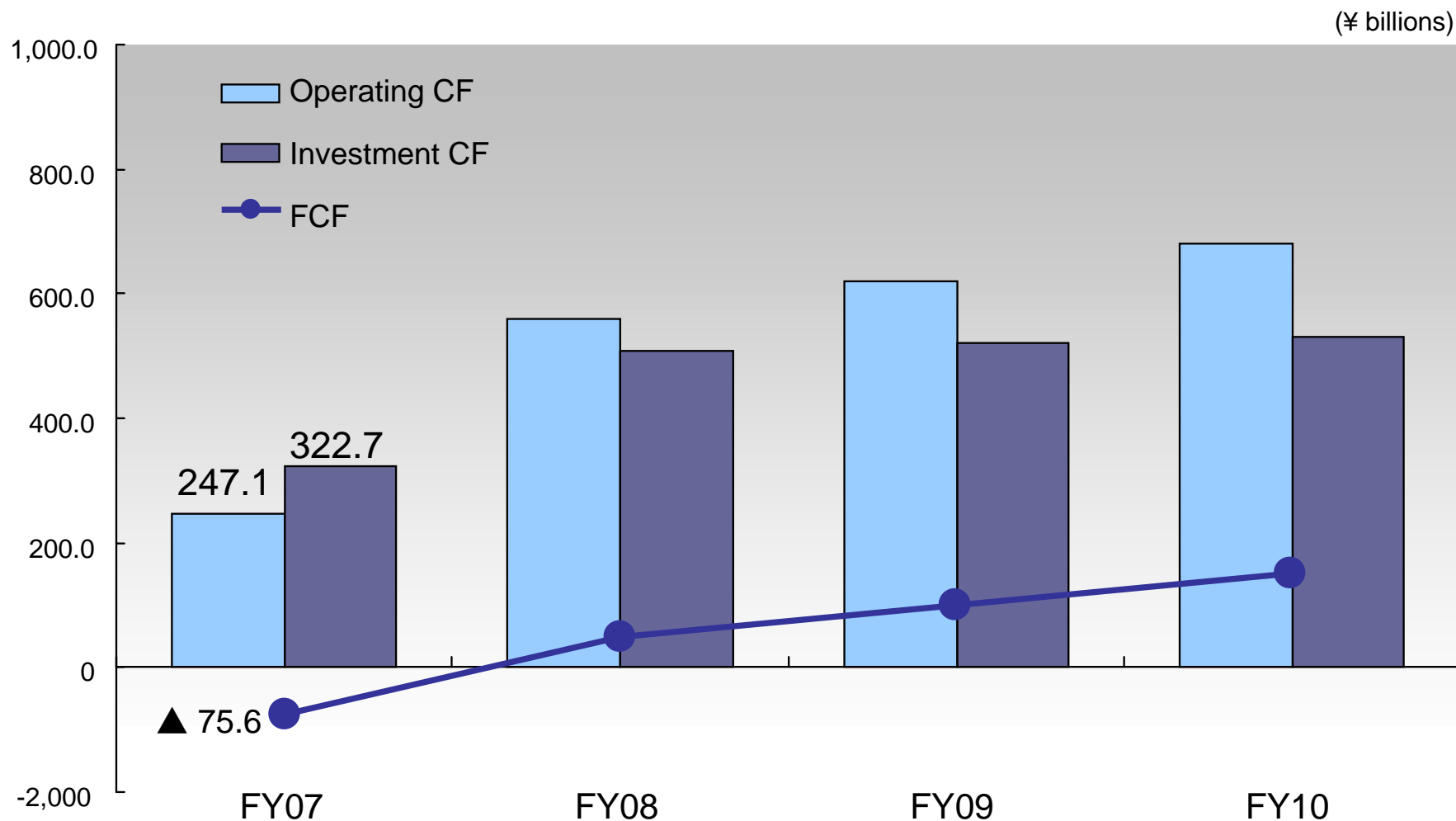
- ◎ Super-resolution image quality technology
- ◎ Digital home network technology

Social Infrastructure

- ◎ Nuclear power, advanced thermal power technologies
- ◎ Industrial, automotive innovative rechargeable batteries
- ◎ Global products lineup

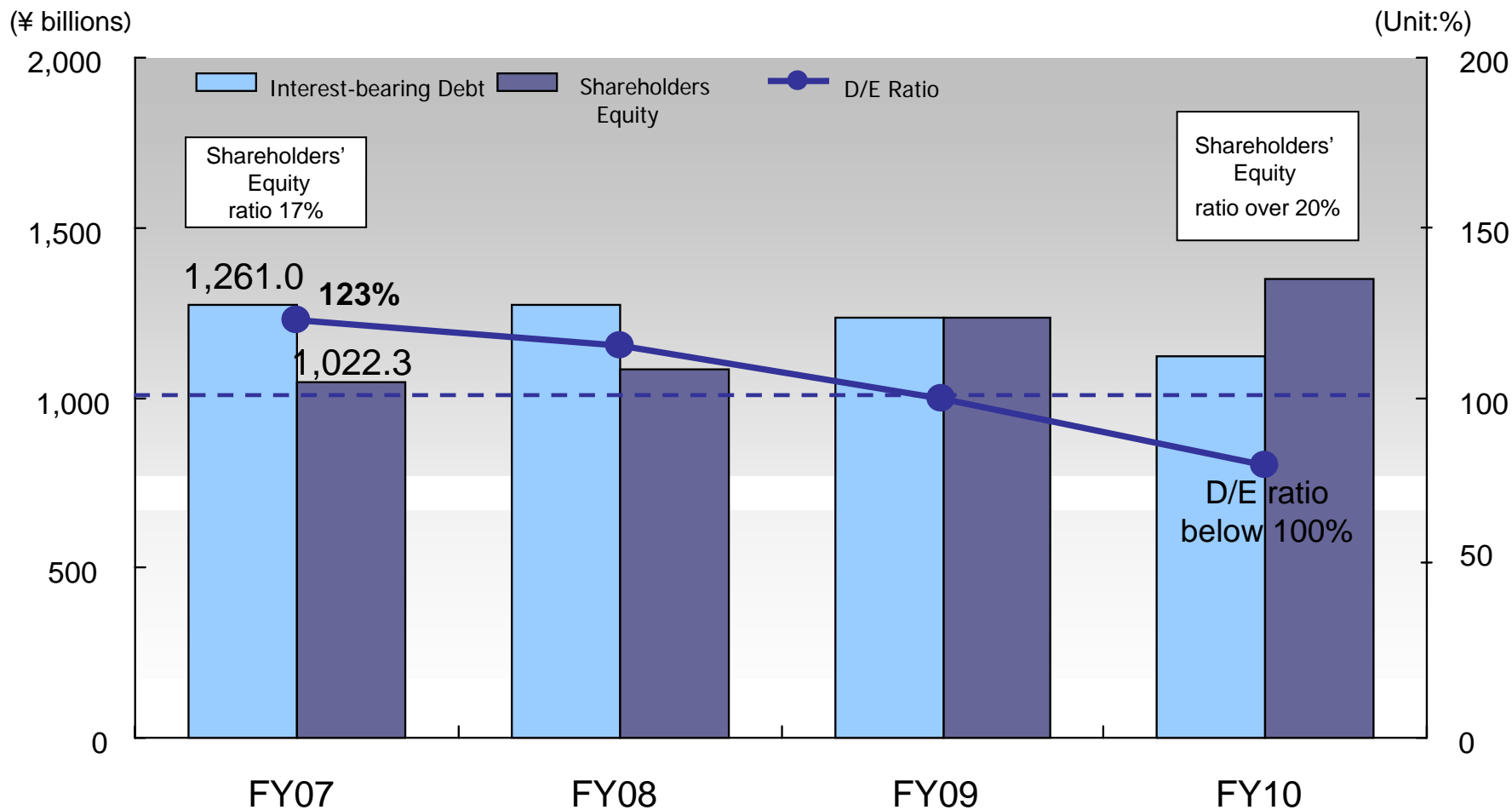
Financial Strength – Cash Flows

FY08-10: Cumulative positive free cash flow of ¥300b expected



Financial Strength – Shareholders' Equity and Interest-bearing Debt

End of FY10: D/E ratio below 100%
Shareholders' Equity ratio over 20%



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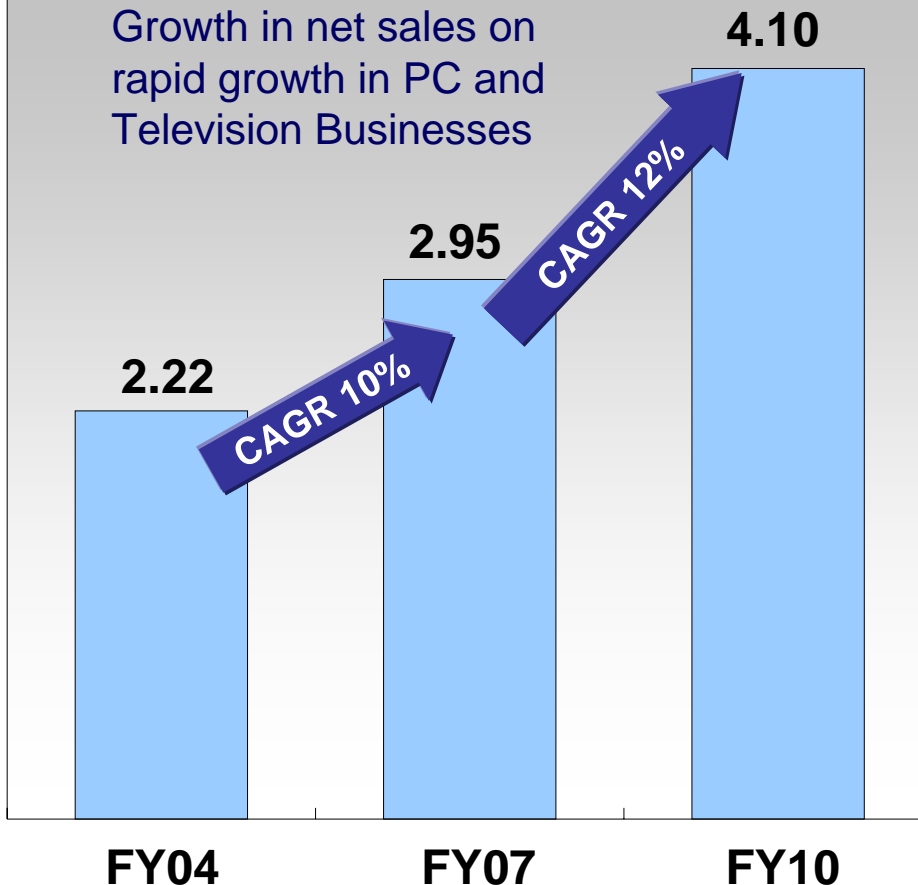
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Digital Products Business Group

Sales Growth

(¥ trillion)



CAGR (FY07-10): 12%
FY2010 Operating Income : 2.4%

Extend PC know-how to CE field

PC Business FY2007: 1.04 trillion yen →
FY2010: 1.70 trillion CAGR: 18%

- ◎ Further expand global business (esp. BRICs); promote high-quality technology and environmentally conscious products

TV Business FY2007: 0.48 trillion yen →
FY2010: 0.75 trillion CAGR: 16%

- ◎ Further expand global business through high image quality and strengthening cost competitiveness

HDD Business

- ◎ Promote high speed, high-capacity products; introduce leading-edge small form factor HDD

Mobile Business

- ◎ Introduce products fusing mobile devices and PCs

Digital Multi-function Peripherals and Retail Information Systems Business

- ◎ Expand global business and maintain top share in domestic POS business

Product Strategy for Digital Products

Market Environment

Rapid penetration of AV network, IPTV, internet movies

Enormous digital content resources in SD video

NAND:
High-capacity, low-cost flash memories

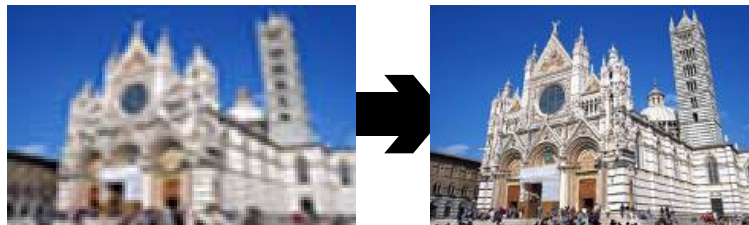
High-capacity and high-speed HDD

Product Strategy

High Image Quality

Can easily create HD video from SD video digital content on the device side

Super-resolution TV, PC, DVD player



Mobility

Can easily access digital content through network connectivity, any time, anywhere

Mobile device and PC fusion products
Products integrating industry-leading storage
(Mobile PC, Mobile information products)



Toshiba's Strengths

Semiconductor technology
(System LSI)

Image processing technology
(Super-resolution function)

Storage technology
(NAND, SSD, Small form factor HDD)

Components technology
(Direct methanol fuel cell, multi-antenna technology)
Packaging technology

PC Business

Basic Strategy

Expand global business

Increase market share by expanding product line-up in U.S. and Europe
Enlarge net sales by expanding sales channels in BRICs

High quality technology

Spill-resistant, shock-resistant designs; adopt highly accelerated life testing (HALT) by subjecting products to cycles of environmental and stress variables; incorporate easy-to-clean thermal fin assembly; PC health monitoring function

Environmentally Conscious technology

Introduce mercury-free LED backlights; extend product recycling and make more efficient use of resources

Differentiated Products

AV notebook PCs

Super resolution function based on
SpursEngine™ SE1000



AV notebook PC

Mobile PC

Enhance energy efficiency by integration of SSD, cut weight, improve robustness, boost charge times with Direct Methanol Fuel Cell



Mobile notebook PC

Television and AV Business

Basic Strategy

Strengthen Cost Competitiveness

Form strategic alliances and expand market by cost reductions and strengthening supply chain

Expand Global Business

Expand globally by introducing products that meet the needs of each region

Differentiated Products

TV & DVD player with super-resolution function

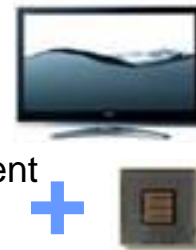
Real-time creation of HD from SD

TV incorporating HDD, HDD Recorder

Integrate high capacity, high speed, high quality HDD

TV integrating Cell

Offers new dimensions in visual entertainment (Opera glasses function, simultaneous multi-recording, playback, automatic scene detection functions)



HDD Business

Basic Strategy

Concentrate on small form factor HDD

Expand market for 2.5-inch and 1.8-inch drives as industry leader in small form factor HDD

Expand CE business range

Expand the market size: Further cultivate such fields such as camcorders, car navigation, game consoles and external HDD.

Differentiated Products

High Speed, High Capacity

Lead the industry in introducing terabyte products

Leading-edge technology

Discrete Track Recording (DTR) technology (for higher storage density)



Mobile Business

Basic Strategy

Short business cycle

Strengthen SCM, shorten R&D period

Expand global business

Introduce fusion products



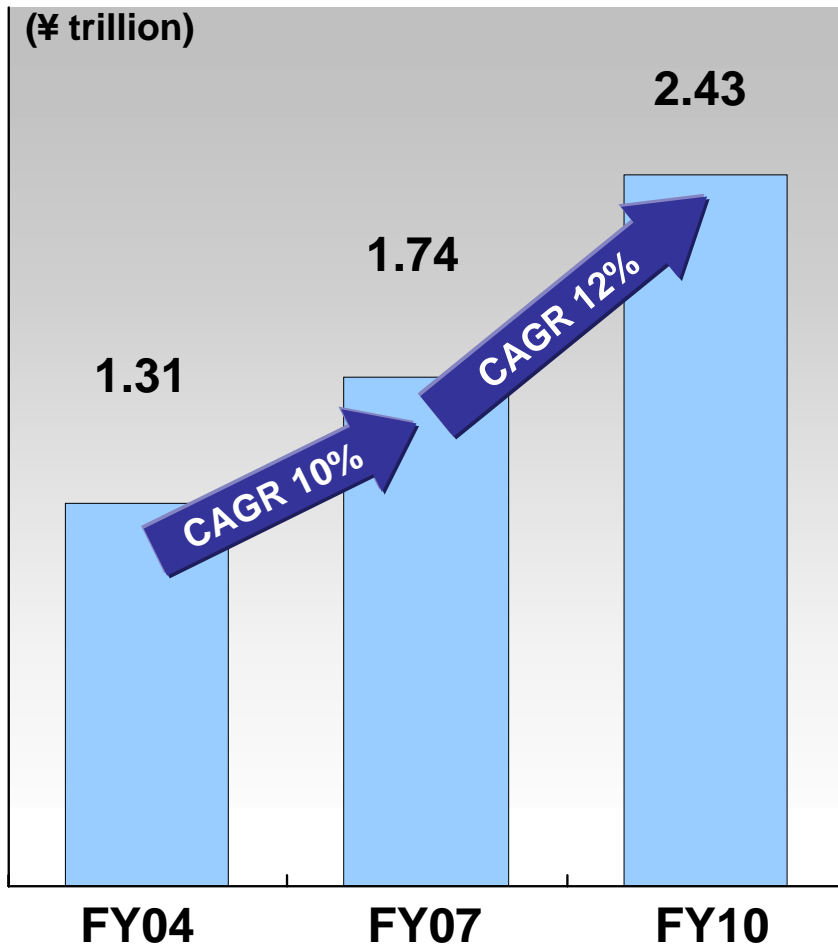
Differentiated Products

Create new markets in mobile devices and PCs

Introduce mobile information devices compatible with high-speed wireless infrastructure.

Electronic Devices Business Group

Sales Growth



FY07-10 CAGR: 12%

FY2010 Operating Income: 8.2%

Semiconductor Business

FY2007: 1.39 trillion yen →
FY2010: 2.0 trillion yen
CAGR 13%

- ◎ Memory Business: Regain high profitability
- ◎ System LSI: Accelerate strategic resource allocation
- ◎ Discrete Business: Maintain world's No.1 share

Display Business

FY2007: 0.29 trillion yen →
FY2010: 0.36 trillion yen
CAGR 7%

- ◎ Enhance automotive display business
- ◎ Expand OLED products

Strategy for Semiconductor Business

Realize stable growth while maintaining IDM* advantage
Maintain position as World's No.3

© Sales in FY2010: 2 trillion yen (FY07-10 CAGR:13%)

Memory

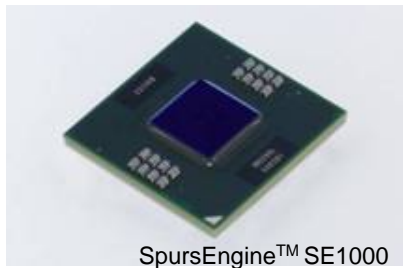


SSD

Regain high profitability

- © Maintain advantage in advanced process and multi-level cell technology
- © Accelerate development of next generation memories
- © Enhance cost competitiveness
- © Enhance manufacturing capacity (Fab 5 and Fab 6)

System LSI

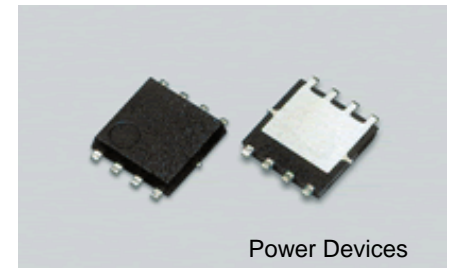


SpursEngine™ SE1000

Accelerate strategic resource allocation

- © Optimize product portfolio
- © Maintain technology advantage, improve development efficiency
- © Enhance partnerships with strategic customers
- © Enhance manufacturing capacity by adding Nagasaki Semiconductor Manufacturing

Discrete



Power Devices

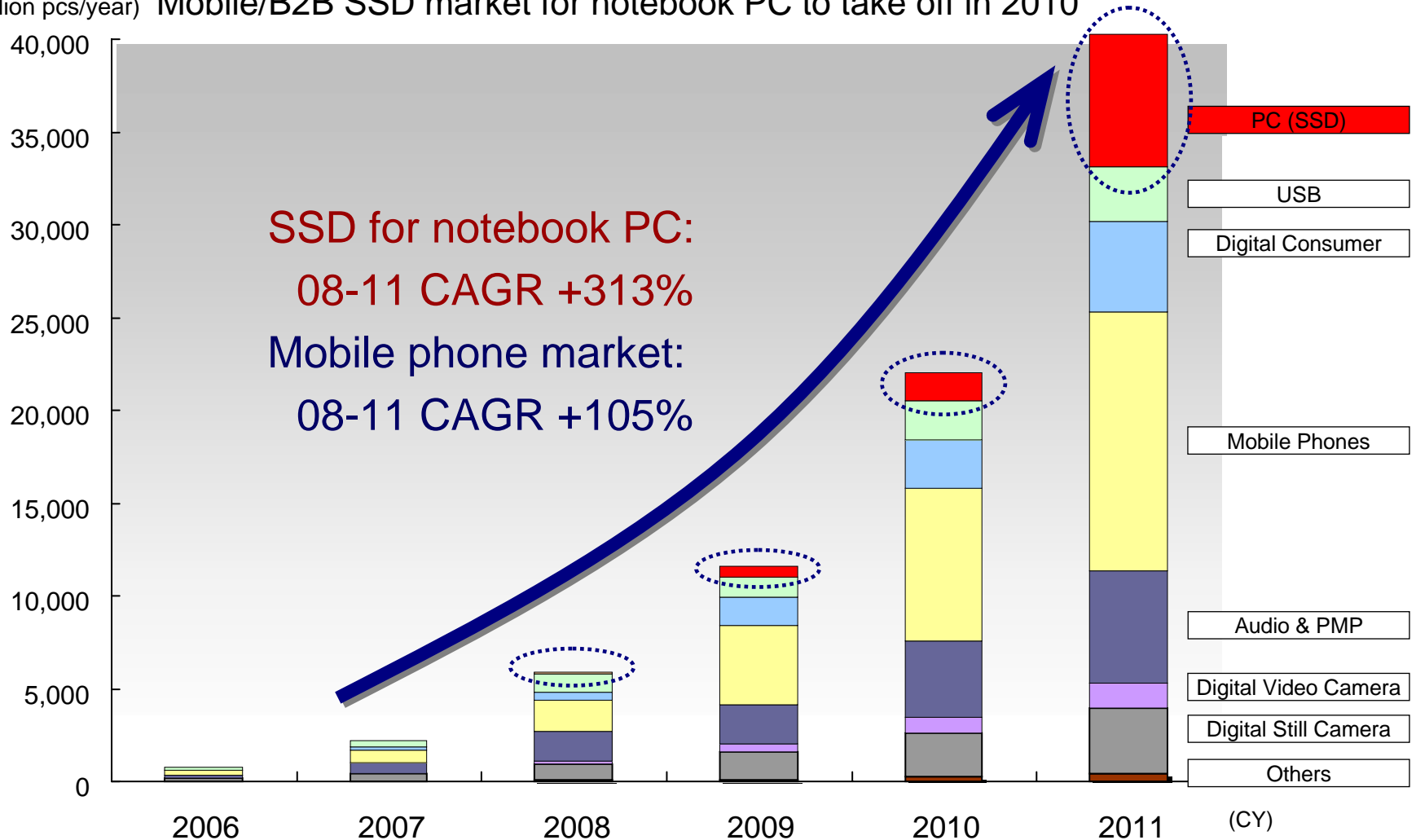
Maintain World's No.1 Share

- © Enhance business scale, mainly with power devices
- © Ensure technology advantage, improve development efficiency
- © Enhance production capacity at Kaga Toshiba Electronics

NAND Market, by Application (Bit basis, 1GB equivalent)

06-10: CAGR +133% Aim growth exceeding market growth

(million pcs/year) Mobile/B2B SSD market for notebook PC to take off in 2010



Enhance Cost Competitiveness in NAND Flash

Restructure for high profit and to enhance cost competitiveness by thorough cost reductions

Make full use of advantages over competitors in advanced process technology to accelerate next generation memory development

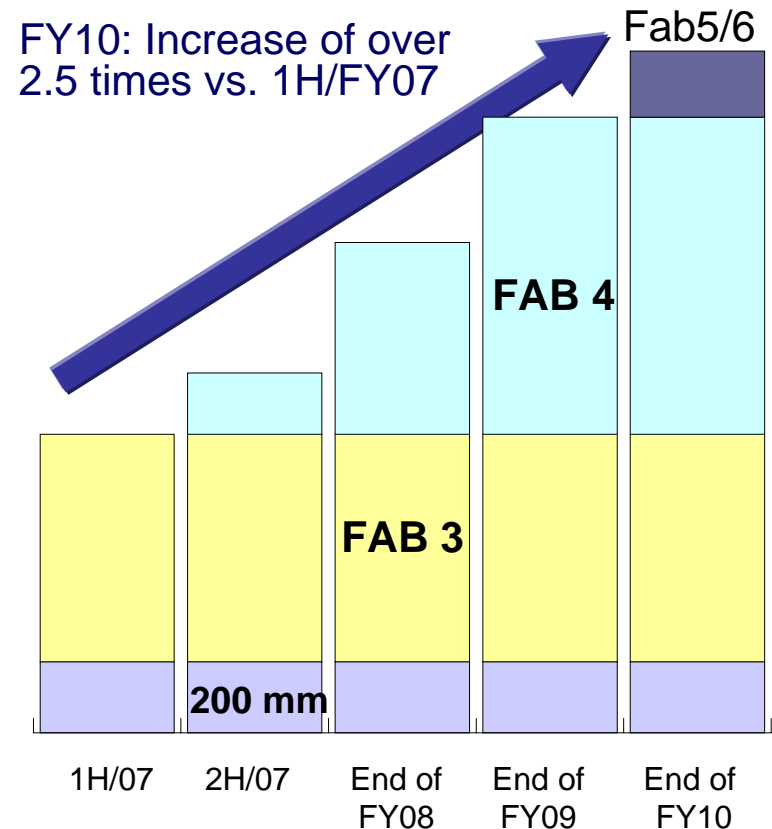
- ◎ 56nm → 43nm → 3Xnm → 2Xnm
- ◎ Accelerate 43nm; End of 1H/08: 50%; End of FY08: over 90%
- ◎ Assure early realization of next generation memory technology

Realize and accelerate 3bit/cell

- ◎ 3bit/cell: Start mass production in March 2008
- ◎ Market creation: Start with mass production for card use
- ◎ Continue to study 4bit/cell

Increase throughput of 300mm CR

- ◎ Fab 3: 150,000 wafers a month
- ◎ Fab 4: Full capacity in FY09—210,000 wafers a month
- ◎ Fab 5 & 6: Completion planned for 2010



SSD: Superior capabilities and Business Strategy

Use multi-level cell technology to supply high performance, cost competitive products

- ◎ Promote initial use at low capacities HDD cannot support (32GB-512GB)
- ◎ First focus on notebook PC market (server market is a future target)
- ◎ Utilize know-how of in-house companies (PC, digital media products)

Superiority of SSD (vs. HDD)

Weight: 1/3; impact resistance: 3 times better

Power consumption: active mode: 1/3; idle mode: 1/6

Apply multi-level cell NAND technology

Realize 128GB SSD at size of 1.8-inch HDD

Apply original controller technology

High speed R/W, parallel data transfer, wear leveling (extend rewrite limits)

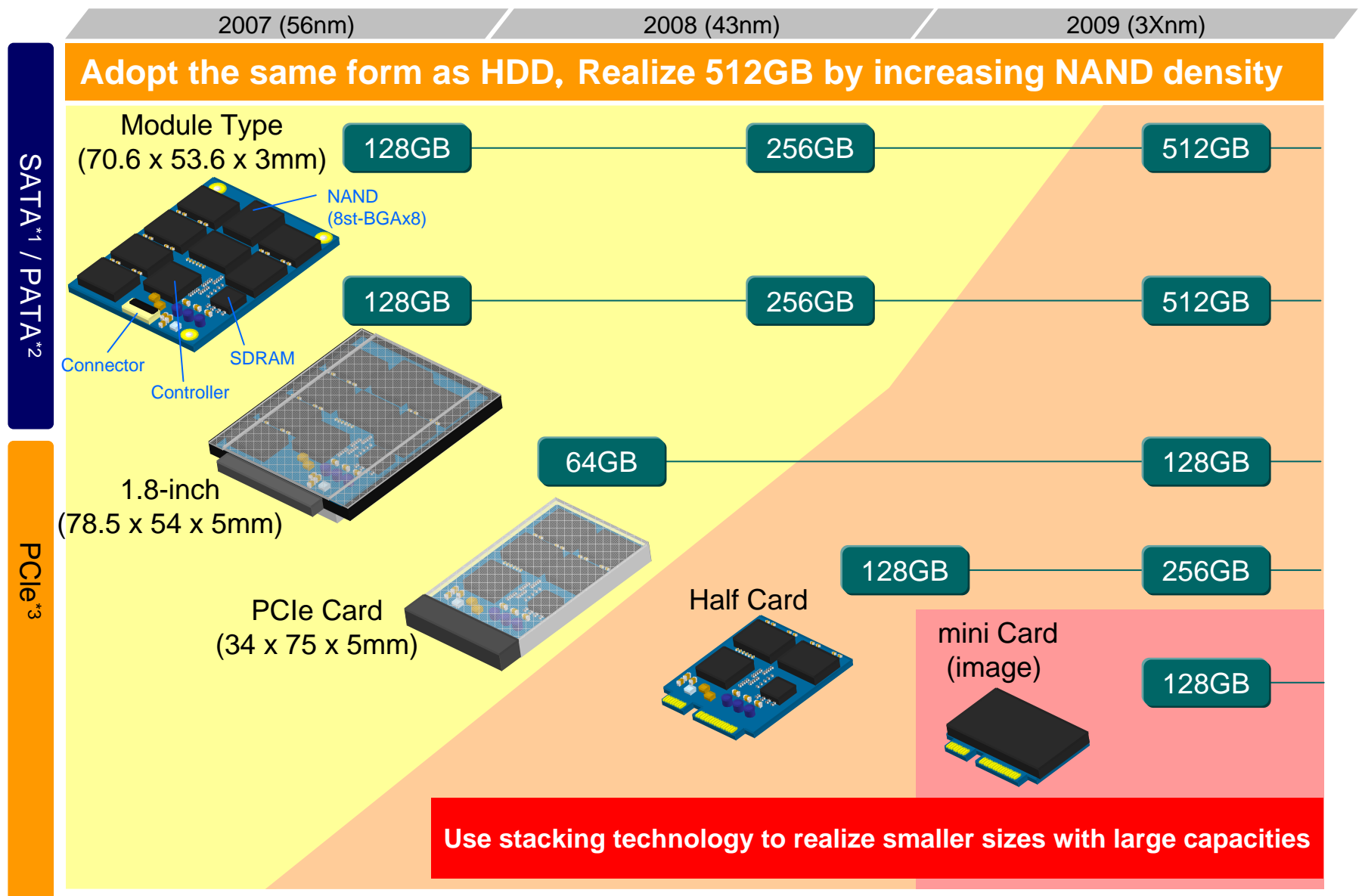
High Performance (vs. HDD 32, 64, 128GB (1.8 & 2.5 form factor, module))

Writing Speed: Max 40MB/sec 1-2 times

Reading Speed: Max 100MB/sec 2.5-5 times



SSD Products Expansion Roadmap



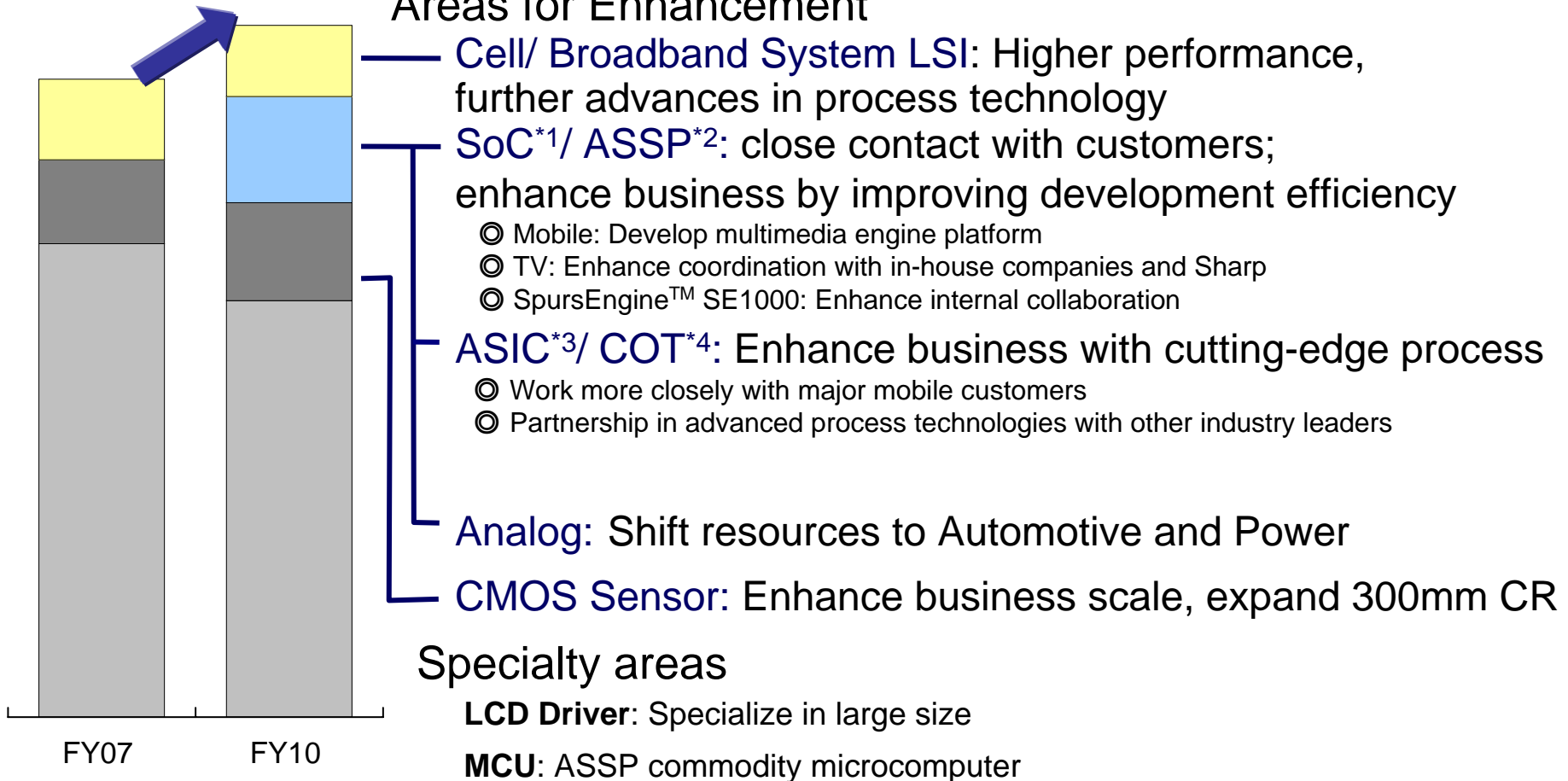
System LSI Business Strategy

Accelerate strategic resources allocation and expand business as Japan's largest leading-edge System LSI manufacturer

Oita Operations 300mm CR: 25000 wafers a month

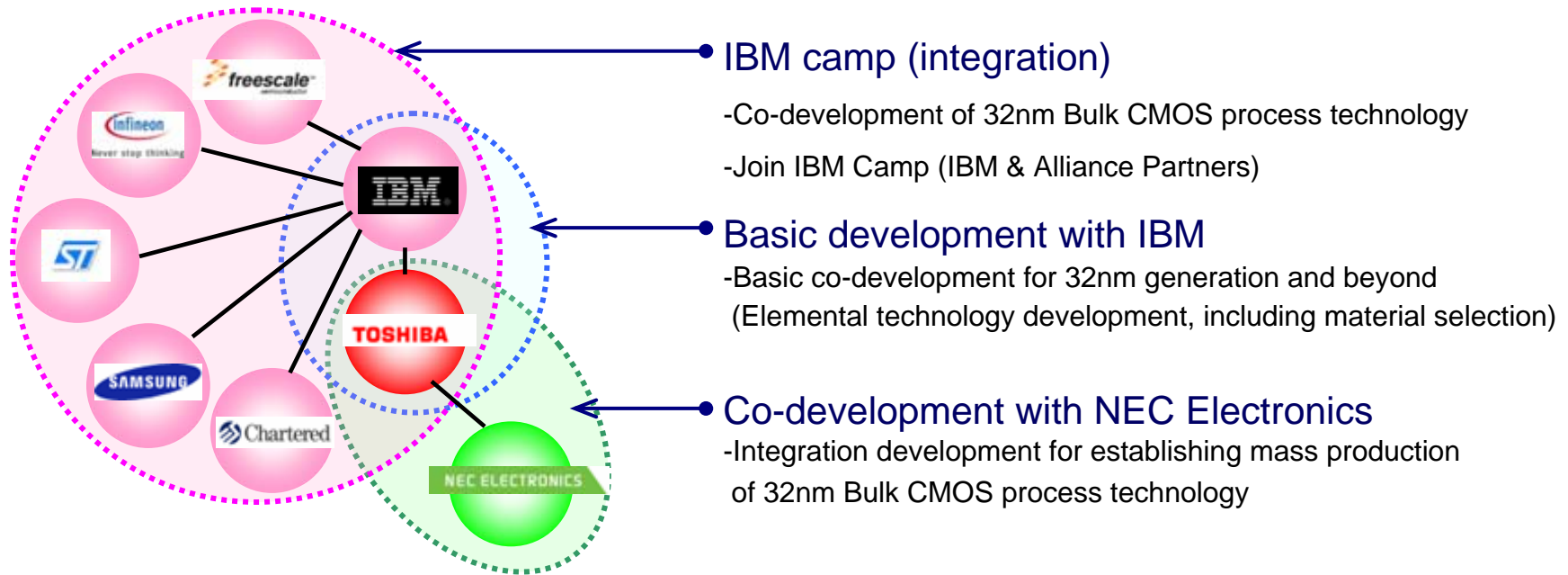
Nagasaki Semiconductor Manufacturing 300mm CR: 10,000 wafers a month

Areas for Enhancement



System LSI Development Strategy

Leading Edge Process: Accelerate development by co-development with strategic partners



Broadband System/ Leading Edge SoC: Improve development efficiency by resource integration

Analog: Integrate resources and focus on automotive & power devices

Mobile SoC/ TV SoC: Promote deployment of development platform

Discrete Business Strategy

Maintain and further enhance World's No.1 share
Aiming for over 10% share in FY2010

Promote marketing for power and opto devices

Maintain stable business for general logic, small signal devices



Power Devices



Opto devices (photo couplers)

Pursue measures to realize share of over 10% in FY2010

- ◎ Power Devices: Concentrate on LCD-TV, mobile phone, notebook PC, automotive
- ◎ Opto Devices: Concentrate on Photo-couplers, LED

Win technology superiority, improve development efficiency

- ◎ Enhance competitiveness with advanced process technology and by driving chip shrink

Optimize investment in enhanced manufacturing capacity

- ◎ Front-end: Increase manufacturing capacity, accelerate shift to larger wafers
200mm wafer capacity 1H of 08: 10,000 wafers a month → FY10: 60,000 wafers a month
- ◎ Back-end: Accelerate overseas production, mainly at Toshiba Semiconductor Thailand

Medium and Small Display Business

Enhance business by adding high value-added technology and OLED technology to Toshiba's advantages in polysilicon LCD technology

High-Value Added Technology

- ◎ Circuit integration technology... Increase vibration resistance, contribute to slimmer products
- ◎ Function embedded technology... touch panel, opto pen input, image scan
- ◎ Form-free display module technology... Develop round type, curved line modules



FY2010 sales target: ¥360 billion (FY07-FY10 CAGR: 7%)

Mobile displays

TFT Thin-film Display for mobile phones
TFT LCD for mobile music player

Automotive displays

TFT LCD for automobiles

PC & AV displays

TFT LCD for notebook PC
TFT LCD for industrial use

TFT: Thin Film Transistor



OLED technology

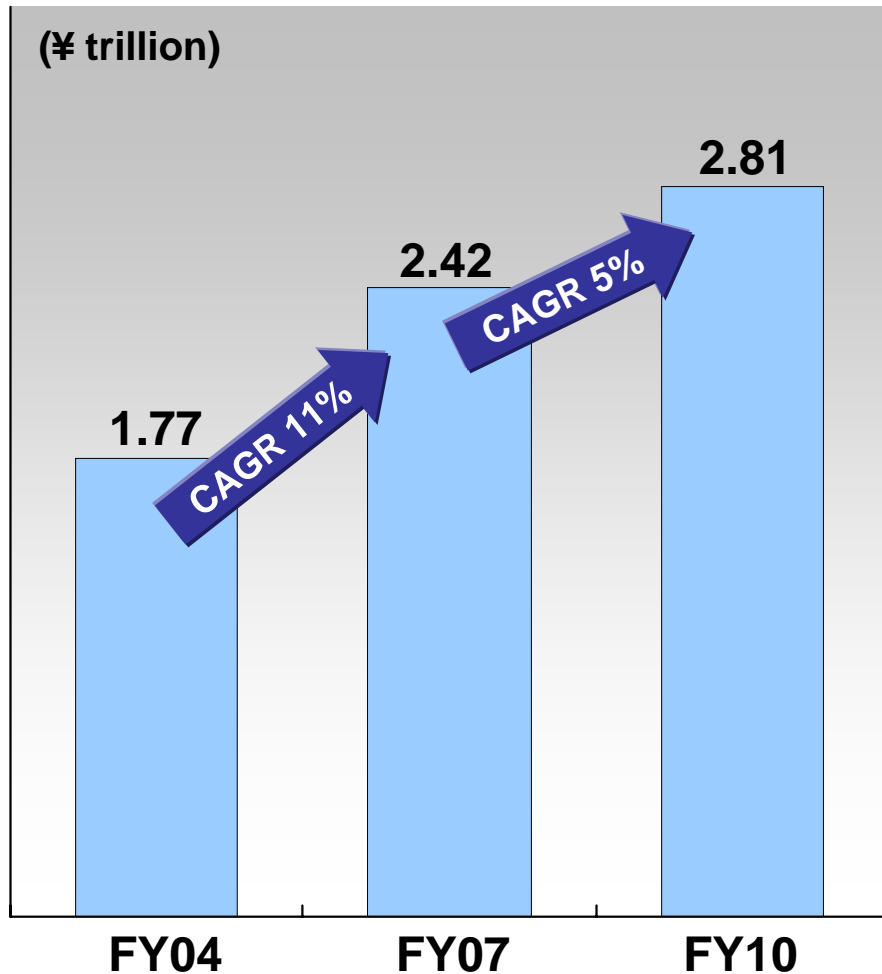
- ◎ Displays that are thin, high speed, with wide viewing angle, high contrast and low power consumption
- ◎ Commercialize small displays for mobile equipment in FY08
- ◎ Further expansion for notebook PC, automobile displays

WQVGA Class OLED
2-3 sizes for mobile phone



Social Infrastructure Business

Sales Growth



CAGR (FY2007-FY2010): 5%
FY2010 Operating Income: 6.0%

Business expansion overseas

- ◎ Expand new plant business for nuclear power
- ◎ Accelerate globalization of Thermal, Hydro-electric power and Medical Systems businesses.
- ◎ Strengthen globalization of the Transmission and Distribution systems business.

Accelerate launch of new businesses

- ◎ Innovative rechargeable battery business
- ◎ Motors for hybrid electric vehicles
- ◎ Security business
- ◎ Environmental business

Nuclear Energy Business (after W/H acquisition)

Market: Prepare for actual role-out of new plant projects

- ◎ USA: 15 electric utility groups preparing COL*¹ applications for 31 units
 - AP1000*²: COL applications for 5 sites/10 units; applications for 4 sites/6 units being planned.
 - ABWR*³: COL applications for 1 site/2 units.
 - ◎ China: 11th 5-year plan (2006) accelerates new plant construction plans.
 - ◎ UK: Government policy changed to pro-nuclear.
- *1 COL: Combined Construction and Operation License
*2 AP1000: Next-generation pressurized water reactor
*3 ABWR: Advanced Boiling Water Reactor

Sales increase with early start of some projects

AP1000 Business

◎ Orders received for 10 units in China and USA

- 2007: China (4 units)
- 2008: EPC*⁴ contract for Southern Co. (2 units)
LLM*⁵ for USA SCANA Corp. (2 units)
LLM for Progress Energy (2 units)
- ◎ Marketing activities in South Africa and UK

ABWR Business

◎ Join South Texas Project (STP), USA

- Toshiba named prime contractor in Mar. 2008 for EPC of 2 units.
- ◎ Reinforce foundations for further promotion
 - Established Nuclear Innovation North America LLC with NRG, to promote ABWR
 - Established Toshiba America Nuclear Energy Corporation

Expect orders for 33 Units by 2015:
Debt repayment shortened to 13 years (from 17 years on W/H acquisition)

Nuclear Energy Business: Expansion Measures (1)

Reinforce engineering functions

Expand Isogo Nuclear Engineering Center

- Establish global engineering network
- Increase engineers (1.4 times vs. FY2007)

Reinforce engineering through M&A

ISTN (South African engineering firm)

Astare (French engineering firm)



Isogo Nuclear Engineering Center (new building to be completed at end of 2008)

Enhance manufacturing and construction capacity of nuclear power plant equipment and plants

Invest in Keihin Operations

(Reinforcement by alliance also under study)

Enhance construction/maintenance services

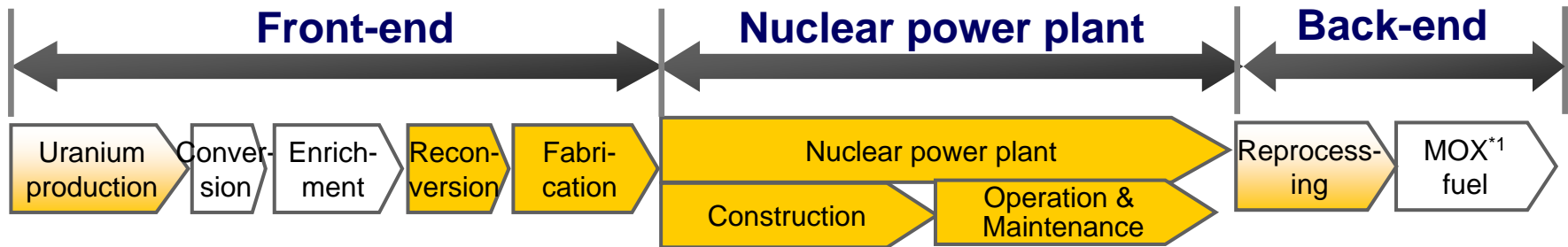
Acquisition of Carolina Energy Holdings, Inc.
(US welding company)



Keihin Operations

Nuclear Energy Business: Expansion Measures (2)

Fuel business: Expand front-end and back-end businesses



Yellow: Toshiba Group's current business domain

*1 MOX fuel: Mixed oxide fuel

Front-end

Accelerate expansion into uranium production and enrichment

- ◎ Secure uranium interests
- ◎ Cooperate with suppliers, such as mine development companies and uranium enrichment companies, to form close business relations
- ◎ Establish a business model supporting total package proposal capability, including plant construction and fuel supply guarantee

Back-end

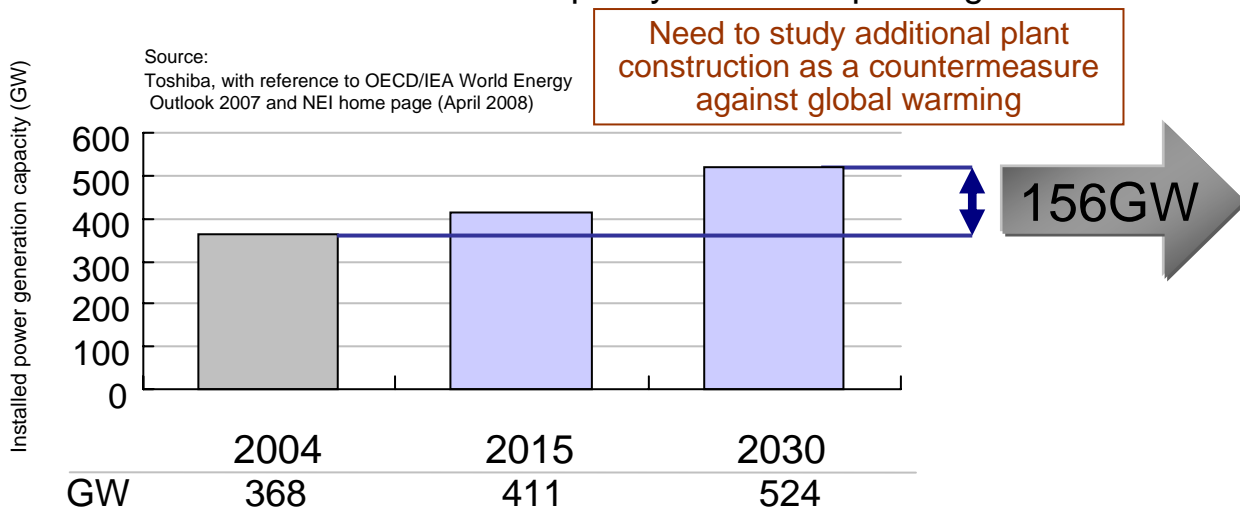
Develop advanced reprocessing technology and establish fast reactor cycle

- ◎ Secure more orders for Japan's reprocessing plants
- ◎ Develop dry reprocessing technology, which is more resistant to nuclear proliferation
- ◎ Take the lead in Global Nuclear Energy Partnership (GNEP) by reinforcing collaboration between Toshiba and Westinghouse
- ◎ Launch reprocessing business in overseas markets

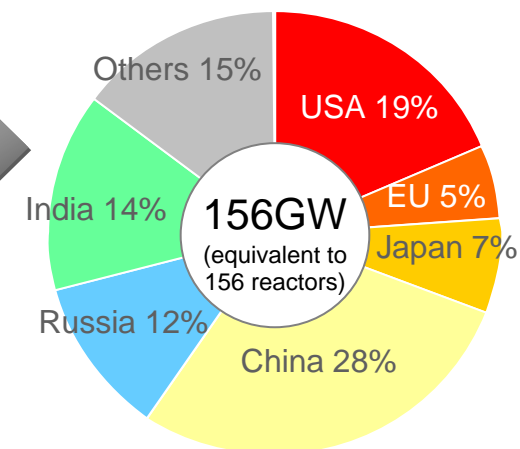
Nuclear Energy Business – Long Term Perspective

Further demand expansion

Forecast of worldwide installed capacity of nuclear power generation



Breakdown of demand for new plant construction to 2030

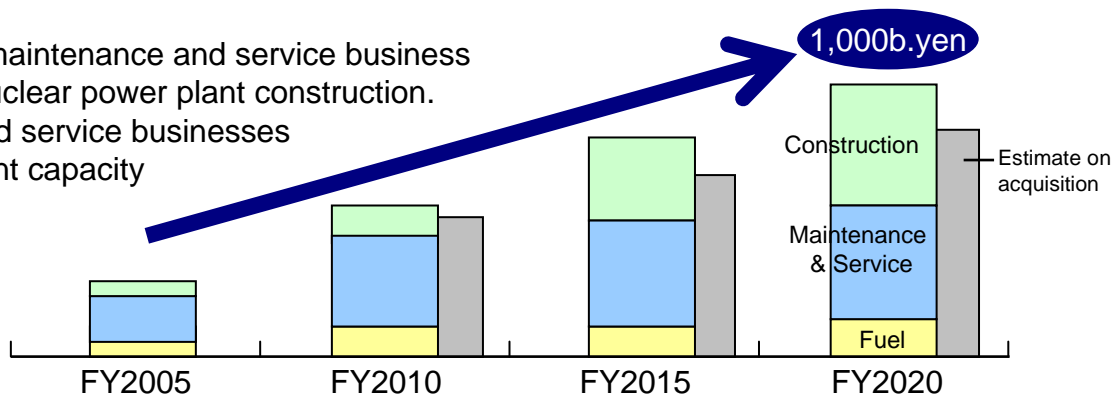


1,000 billion yen business scale in FY2020

Short Term: Stable growth, mainly in fuel and maintenance and service business

Long term: Substantial expansion with new nuclear power plant construction.

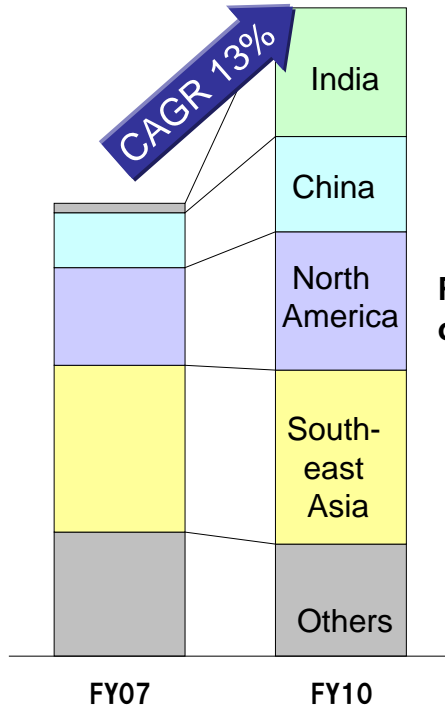
Increase fuel and maintenance and service businesses alongside increase of installed plant capacity



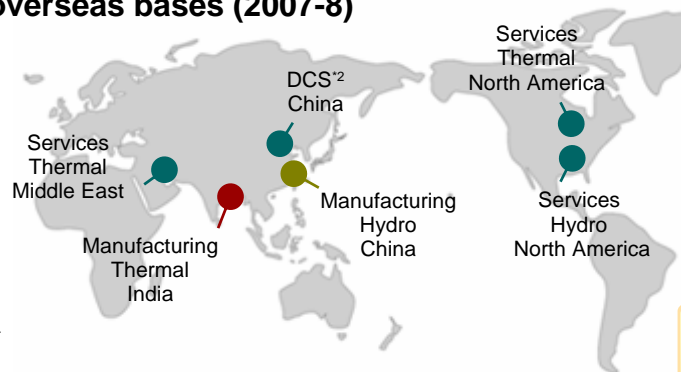
Thermal and Hydro Power Systems Business

Accelerate globalization, primarily in India, China, N. America

Overseas sales by region



Recent achievements in enhancing overseas bases (2007-8)



- New manufacturing bases
- Additional investment to increase production at existing bases
- New service bases, through M&A

Promote service business

- ◎ Establish business bases through M&A (North America, Middle East, China, etc.)

Enhance manufacturing capacity

- ◎ New manufacturing and marketing base for STG^{*1} (Expect to start marketing activities in India in June 2008)
- ◎ Strengthen manufacturing facilities of hydro power plant equipment in China

Promote development of environmental technologies

- ◎ Higher performance, higher efficiency
- ◎ Carbon capture and storage system
- ◎ Hydro and geothermal power plants

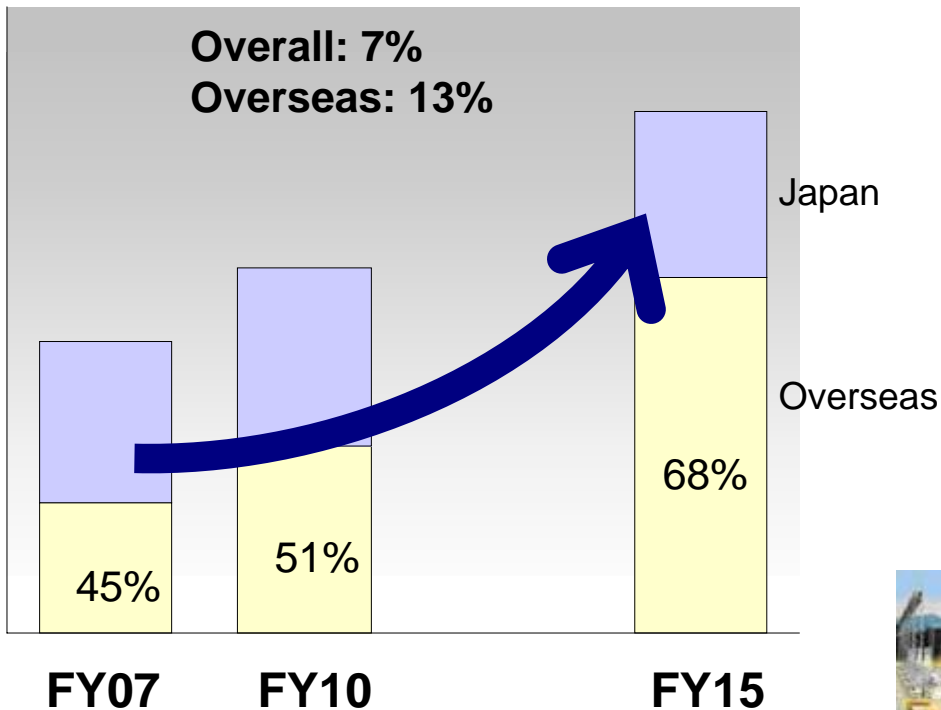
^{*1} STG: Steam Turbine and Generator

^{*2} DCS: Distributed Control System

Transmission and Distribution Systems Business

Expand business in global market with reorganized and strengthened Transmission and Distribution Systems business

Sales Growth CAGR (FY2007-FY2015)



Expand business scope

- ◎ Accelerate development of products for overseas markets by mobilizing resources
- ◎ Expand product portfolio through business alliances

Expand business regions

- ◎ Expand manufacturing sites in growing markets, such as India, Brazil and China
- ◎ Enhance sales offices in the Middle East



Gas Insulated Switchgear (GIS)



3-phase Transformer; disassembled delivery type



Vacuum Circuit Breaker

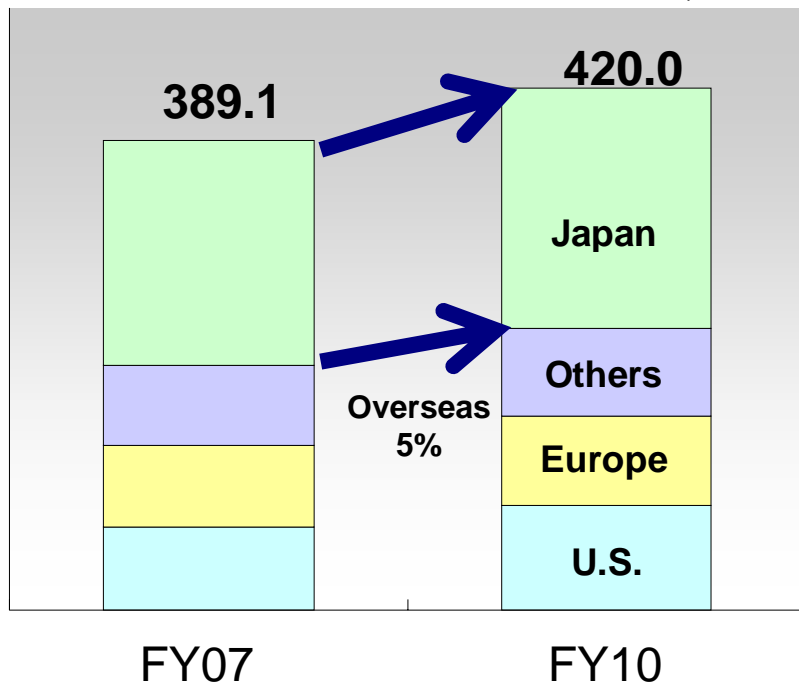


Solid Insulated Switchgear

Medical Systems Business

Net Sales CAGR (FY07-10): 3%

(¥ billions)



◎ **Differentiation Technology**
Strengthen contacts with medical institutions worldwide to promote application development

◎ **Strengthen Product Line-up**
→ Expand R&D investment approx. 1.5 times (FY2007→FY2010)
Enhance capital expenditure on R&D center

New R&D facility and Service facility (scheduled for completion in FY2008)



◎ Expand business with high value-added products, such as CT and diagnostic ultrasound system for U.S. and European markets

◎ Strengthen sales systems and enlarge business



CT*1



MRI*2



X-ray Angiography System



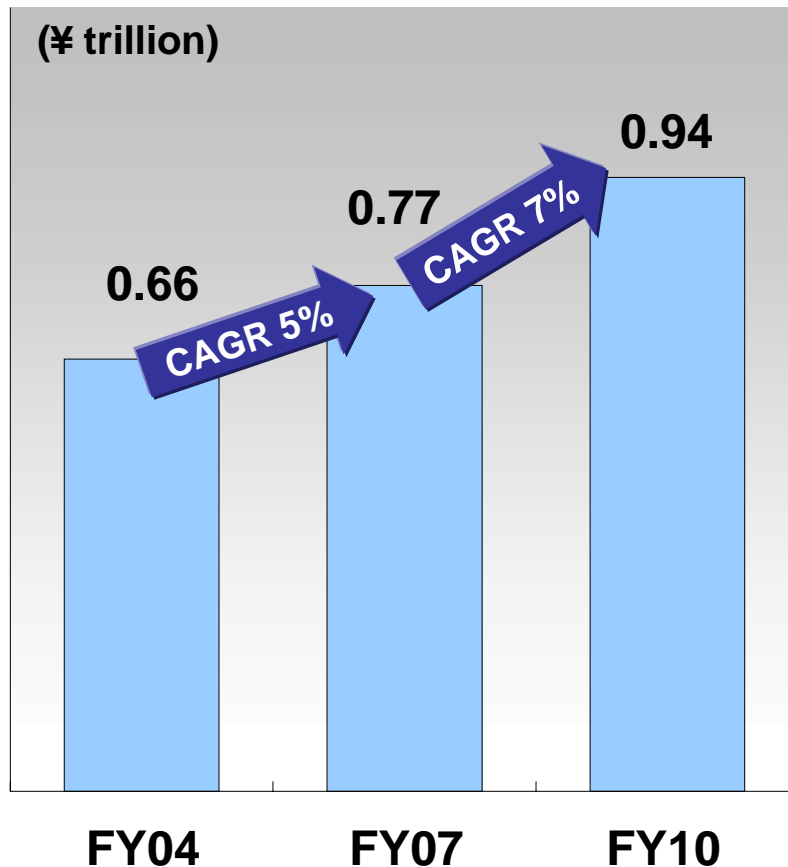
Diagnostic Ultrasound System

*1CT: Computed Tomography system

*2MRI: Magnetic Resonance Imaging system

Home Appliance Business

Sales Growth



FY07-10 CAGR: 7%
FY2010 Operating Income: 2.1%

Create engines for growth

- ◎ Further promote and expand new concept “eco style”
- ◎ Strengthen new lighting business
- ◎ Enhance collaboration of sales and after-sale service by organizational changes

Enhance overseas business

- ◎ Expand in markets such as China and Russia

Enhance business in Japan

- ◎ Further develop white-goods market
- ◎ Expand B2B market for air conditioning and lighting businesses



Contribute greatly to CO₂ reduction
by promoting “eco style” products

New Lighting Businesses

- ◎ Discontinue normal filament lamps (scheduled for 2010) and shift to environmentally conscious products
- ◎ Set up cross-company organization (April 2008), utilize integrated capabilities and accelerate global business
- ◎ Aim to generate sales of 1 trillion yen in environmentally conscious lighting business in FY2020



Toshiba's power to create new lighting
fluorescent materials, semiconductors, social infrastructure

Utilize integrated capabilities

Provision of diverse new lighting systems
equipment, home, office, town, streets, etc.



Tokaido, Sanyo Shinkansen
"N700 series"



Jingu Stadium "Super Color Vision"



LED lamps for home use



"Venus Wing" Bridge, Nagasaki

Goals for Fiscal Year 2010

Net Sales	10.0 trillion yen	9.3% CAGR from FY2007
Operating Income	500 billion yen	Operating Income Ratio: 5% (+1.9% from FY2007)
ROE	Over 15%	
Shareholders' Equity Ratio	Over 20%	
D/E Ratio	Below 100%	
Capital Expenditure	2.2 trillion yen	In three years from FY2008 to FY2010, 500 billion yen higher than FY2005- 2007 level
R&D Expenditure	1.4 trillion yen	In three years from FY2008 to FY2010, 240 billion yen higher than FY2005- 2007 level

TOSHIBA

Leading Innovation >>>

Toshiba delivers technology and products remarkable for their innovation and artistry – contributing to a safer, more comfortable, more productive life.

We bring together the spirit of innovation with our passion and conviction to shape the future and help protect the global environment – our shared heritage.

We foster close relationships, rooted in trust and respect, with our customers, business partners and communities around the world.