

**FY2008 Third Quarter
Consolidated Business Results
(For the first nine months of FY2008)**

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January 29, 2009

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.
- Toshiba's fiscal year runs from April 1 to March 31.
- All figures are totals for the first nine months of fiscal year 2008, unless otherwise indicated.

FY2008 First 9 Months – Consolidated Business Results

(¥ billions, except earnings per share)

	FY2008	FY2007	Difference vs. FY2007
Net Sales	4,984.1	5,568.4	-584.3
Operating Income (loss)	-182.3	124.6	-306.9
%	-3.7%	2.2%	-5.9%
Income (loss) before income taxes and minority interest	-206.0	226.3	-432.3
%	-4.1%	4.1%	-8.2%
Net Income (loss)	-159.6	126.2	-285.8
%	-3.2%	2.3%	-5.5%
Basic earnings per share	-¥49.32	¥39.09	-¥88.41

Key Points of FY2008 First 9 Months

- **Both sales and income (loss) decreased against the previous year**

Net Sales	4,984.1 billion yen	(-584.3 billion yen, -11%)
Operating Income (loss)	-182.3 billion yen	(-306.9 billion yen)
Income (loss) before income taxes and minority interest		
	-206.0 billion yen	(-432.3 billion yen)
Net Income (loss)	-159.6 billion yen	(-285.8 billion yen)

- * **Price declines and weakened demand exceeded expectations and led to significant deterioration in Electronic Devices**

Net Sales	1,080.9 billion yen	(-234.0 billion yen)
Operating Income (loss)	-197.8 billion yen	(-266.7 billion yen)
- * **Digital Products declined on the impact of the recession**

Net Sales	1,954.0 billion yen	(-274.6 billion yen)
Operating Income (loss)	1.4 billion yen	(-5.2 billion yen)
- * **Flat growth in Social Infrastructure**

Net Sales	1,587.3 billion yen	(-10.5 billion yen)
Operating Income (loss)	35.3 billion yen	(+0.8 billion yen)

(vs. FY2007)

FY2008 First 9 Months, by Segment

(¥ billions)

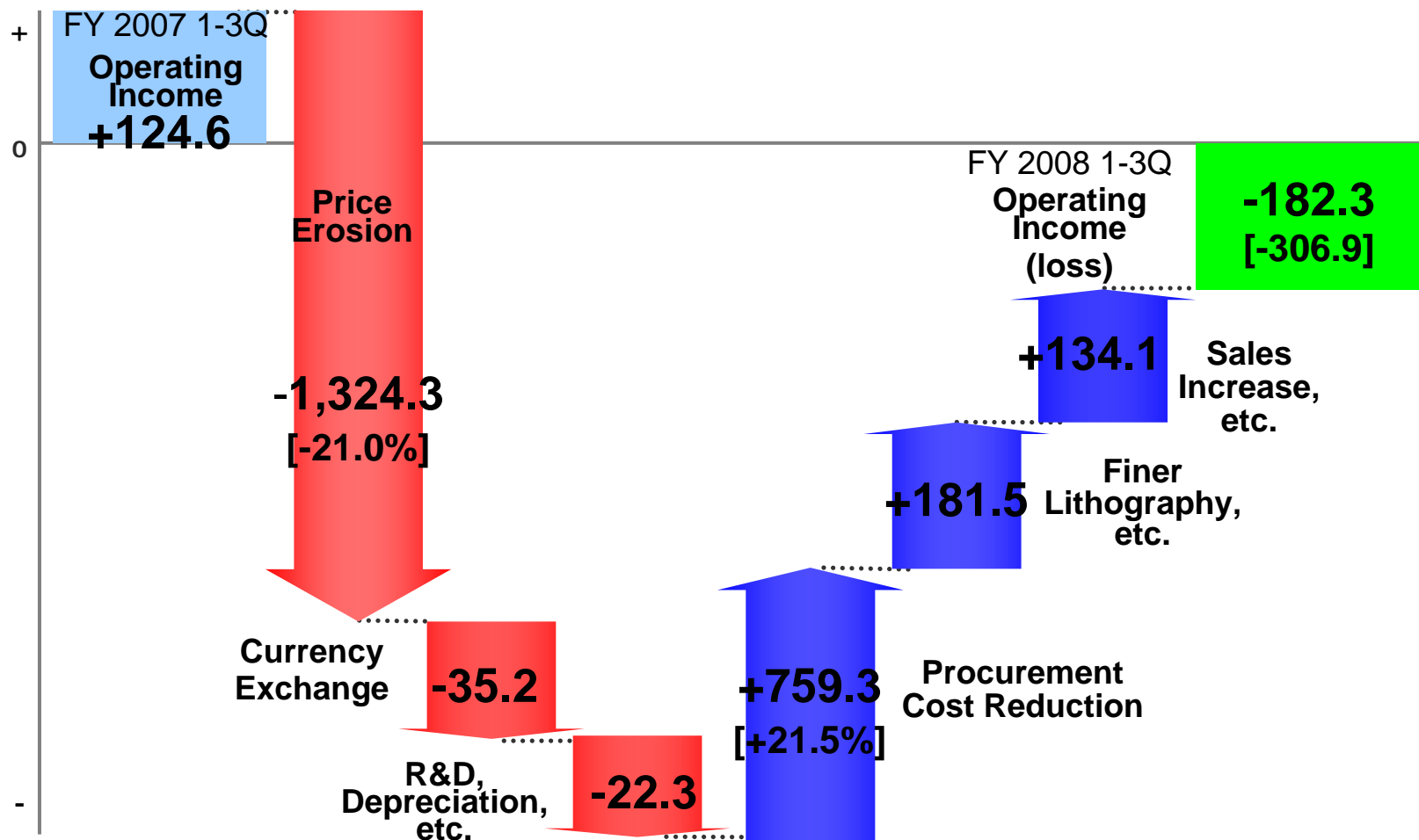
Net Sales	FY2008	FY2007	Difference vs. FY2007
Digital Products	1,954.0	2,228.6	-274.6
Electronic Devices	1,080.9	1,323.9	-243.0
Social Infrastructure	1,587.3	1,597.8	-10.5
Home Appliances	524.2	576.0	-51.8
Others	259.4	287.6	-28.2
Consolidated Total	4,984.1	5,568.4	-584.3

Operating Income (loss)	FY2008	FY2007	Difference vs. FY2007
Digital Products	1.4	6.6	-5.2
%	0.1%	0.3%	-0.2%
Electronic Devices	-197.8	68.9	-266.7
%	-18.3%	5.2%	-23.5%
Social Infrastructure	35.3	34.5	0.8
%	2.2%	2.2%	0.0%
Home Appliances	-15.4	2.0	-17.4
%	-2.9%	0.3%	-3.2%
Others	-5.7	12.9	-18.6
%	-2.2%	4.5%	-6.7%
Consolidated Total	-182.3	124.6	-306.9
%	-3.7%	2.2%	-5.9%

Operating Income (Loss) Analysis, FY2007 First 9 Months vs. FY2008 First 9 Months

(¥ billions)

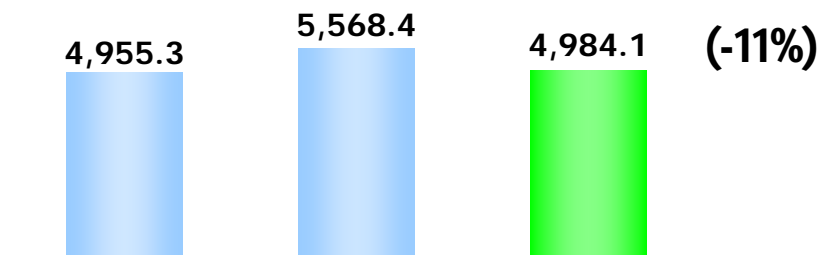
() = Year-on-year comparison



Results Overview – FY2008 First 9 Months

(¥ billions)

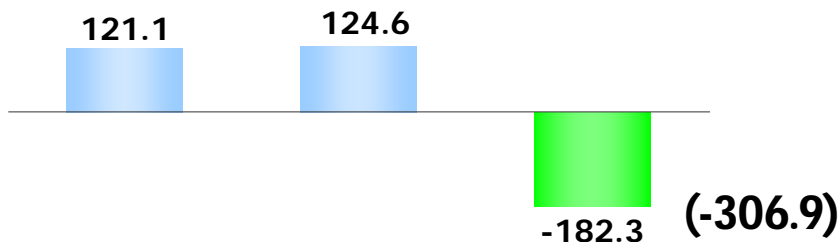
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Net Sales

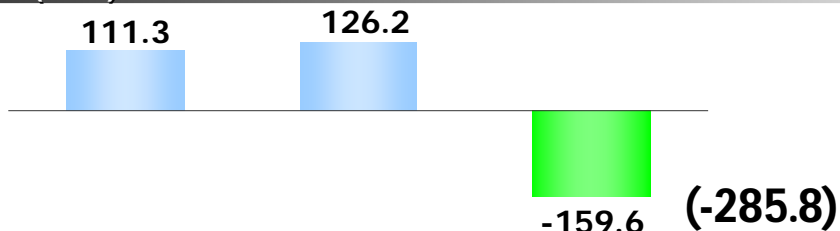
Lower net sales in all segments

Net Sales 06 07 08



Operating Income (loss): loss
Electronic Devices, Home Appliances, Digital Products declined, Social Infrastructure increased income.

Operating Income (loss) 06 07 08



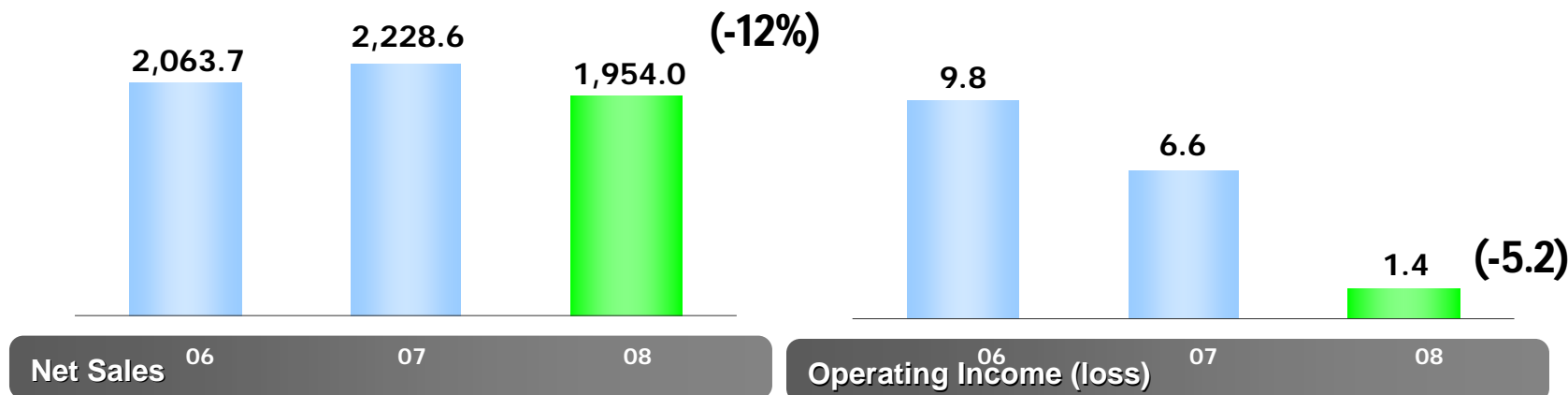
Net Income (loss): loss

Net Income (loss) 06 07 08

Digital Products – FY2008 First 9 Months

(¥ billions)

() = Year-on-year comparison



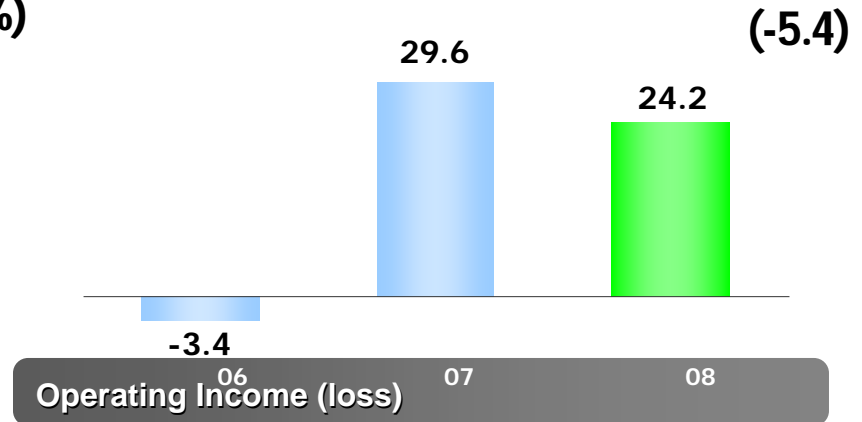
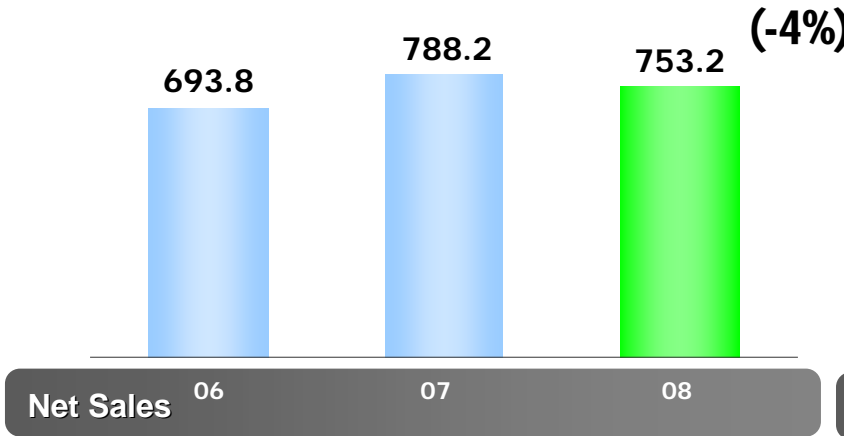
■ Recession led to declines in net sales in the TV, PC, Mobile Phone, Retail Information Systems and Office Equipment businesses.

■ Overall segment operating income (loss) saw lower profit due to price erosion and yen appreciation.

PC Business – FY2008 First 9 Months

(¥ billions)

() = Year-on-year comparison



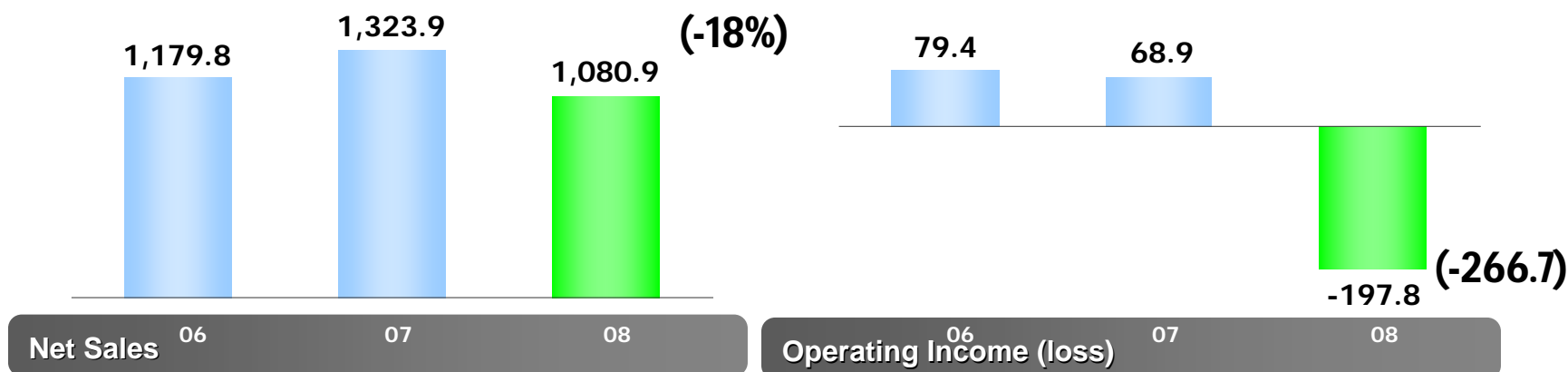
■ Price erosion, a trend to low-end products and depreciation of the euro resulted in lower net sales.

■ Profit decreased as a result of price erosion and depreciation of the euro.

Electronic Devices – FY2008 First 9 Months

(¥ billions)

() = Year-on-year comparison



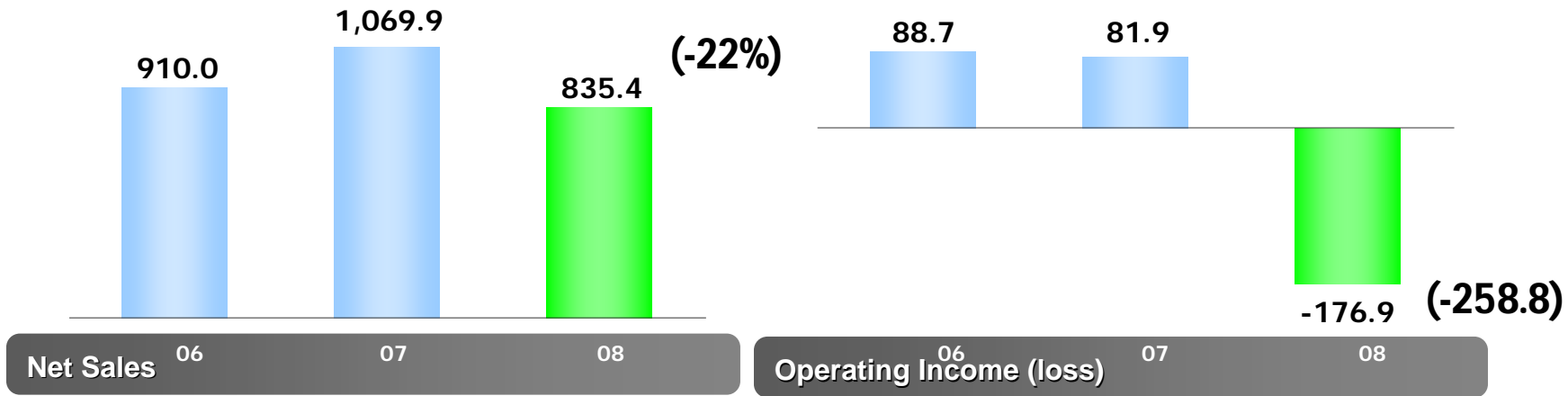
■ Sales decreased significantly, due to price erosion in NAND flash memory, and declines in demand for system LSI, discrete and LCD.

■ Deterioration in the Semiconductor business and LCD business resulted in a significant fall in operating income (loss).

Semiconductor Business – FY2008 First 9 Months

(¥ billions)

() = Year-on-year comparison



■ Sales decreased due to price erosion in NAND flash memory, the influence of yen appreciation, and weakened demand due to recession.

■ Deteriorated performance in system LSIs and price erosion in NAND flash memory produced a significant fall in operating income (loss).

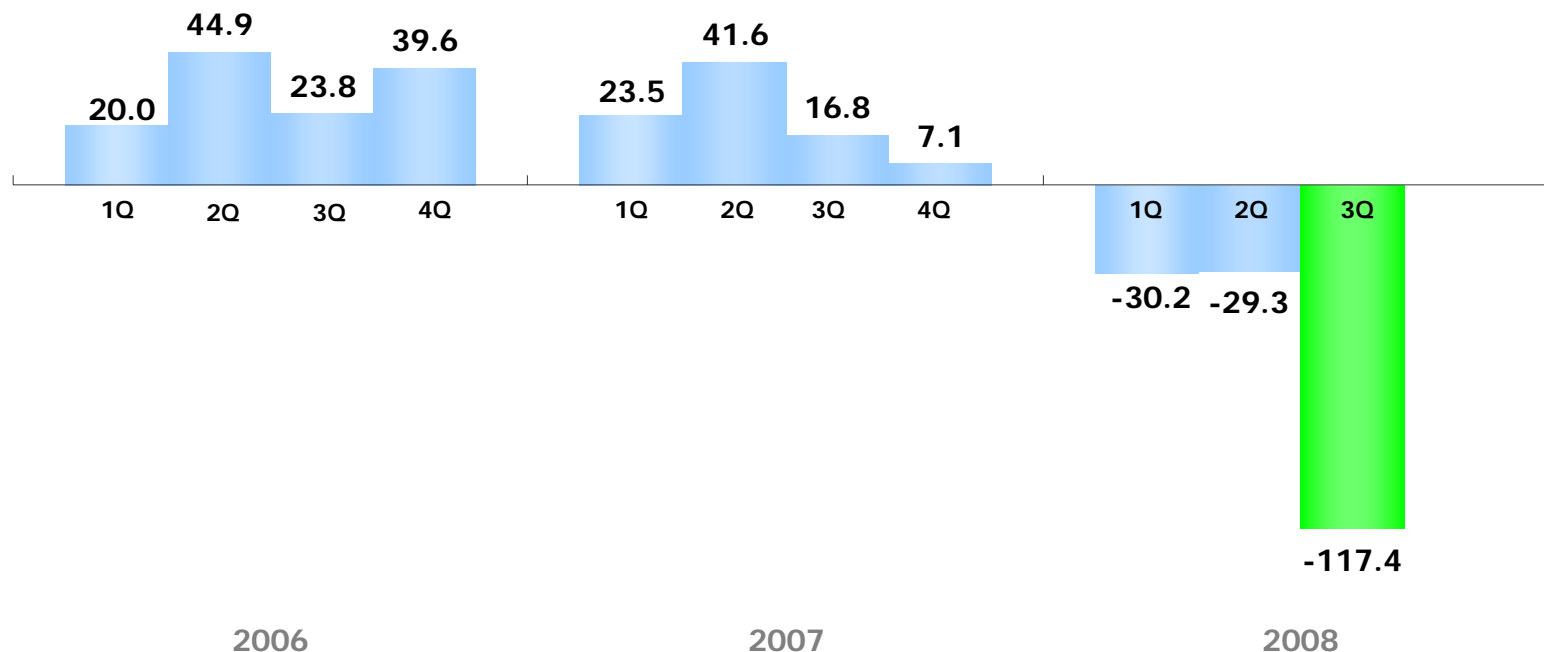
Breakdown of Semiconductor Business Sales

(¥ billions)

Net Sales	FY2008	FY2007	Difference vs. FY2007
Discrete	165.0	186.5	-21.5
System LSI	347.5	470.2	-122.7
Memory	322.9	413.2	-90.3
Semiconductor Total	835.4	1,069.9	-234.5
Operating Income (loss)	FY2008	FY2007	Difference vs. FY2007
Semiconductor Total	-176.9	81.9	-258.8
%	-21.2%	7.7%	-28.9%

Semiconductor Business Quarterly Trend in Operating Income (loss)

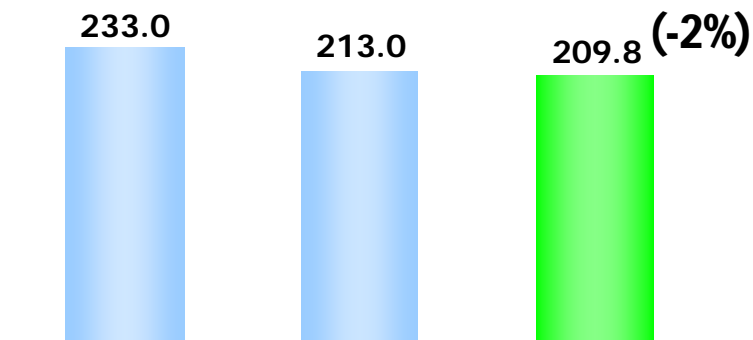
(¥ billions)



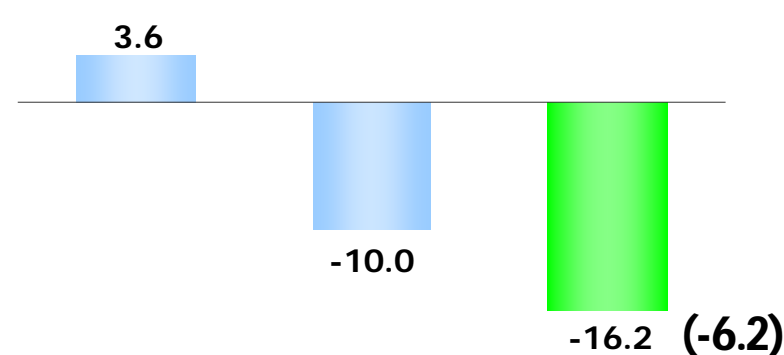
LCD Business – FY2008 First 9 Months

(¥ billions)

() = Year-on-year comparison



Net Sales ⁰⁶ ⁰⁷ ⁰⁸



Operating Income (loss) ⁰⁶ ⁰⁷ ⁰⁸

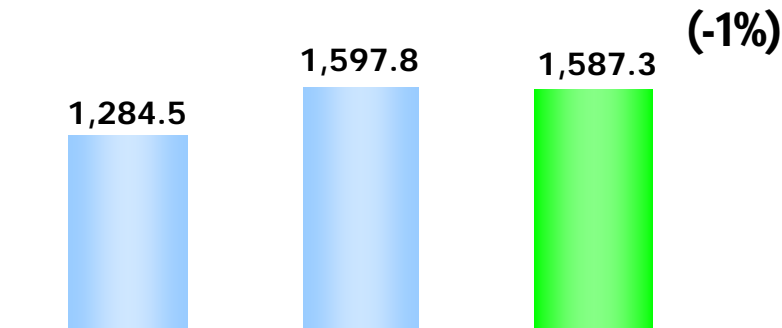
■ Sales decreased due to price erosion in displays for automobiles and PCs, lower demand, and the impact of yen appreciation.

■ Operating income (loss) deteriorated due to price erosion, lower unit sales, and the impact of yen appreciation.

Social Infrastructure – FY2008 First 9 Months

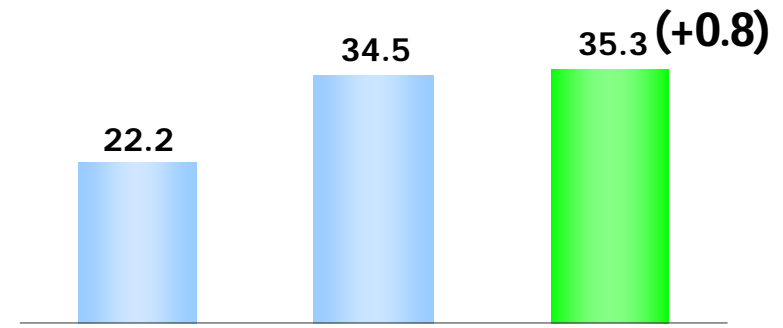
(¥ billions)

() = Year-on-year comparison



Net Sales 06 07 08

■ The Power Systems and Industrial business remained firm, although the Social infrastructure and the Medical systems business saw decreased sales.

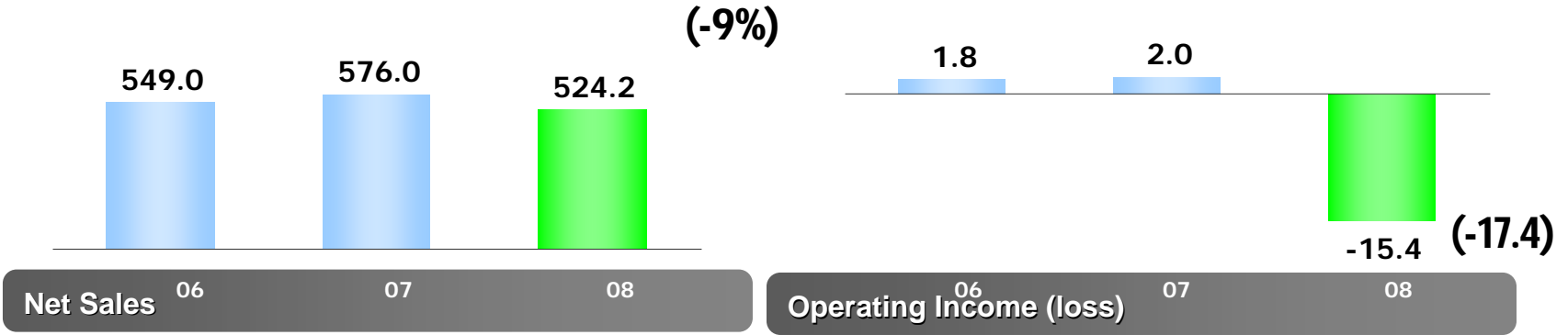


Operating Income (loss) 06 07 08

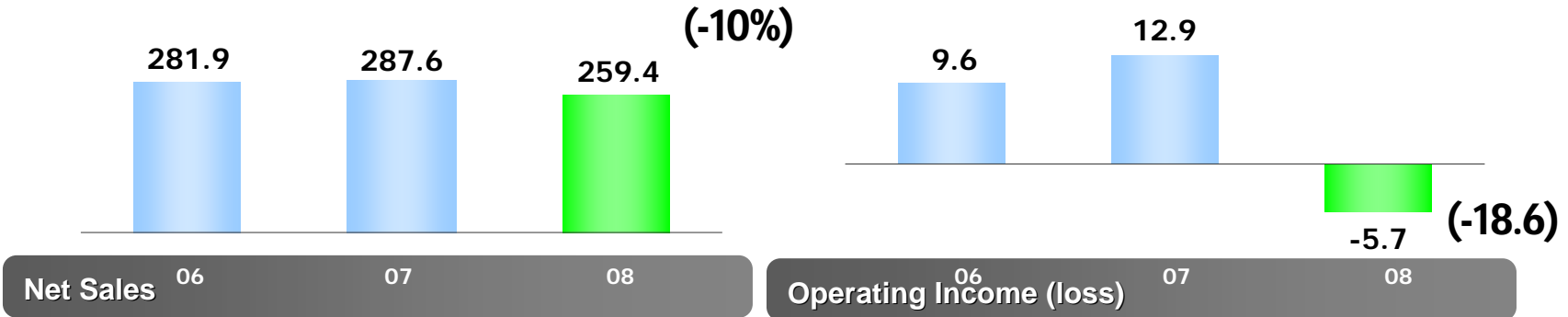
■ Income was flat as the Power System business and Industrial System business remained positive, and the Medical Systems business remained strong.

(¥ billions)

Home Appliances – FY2008 First 9 Months () = Year-on-year comparison



Others – FY2008 First 9 Months



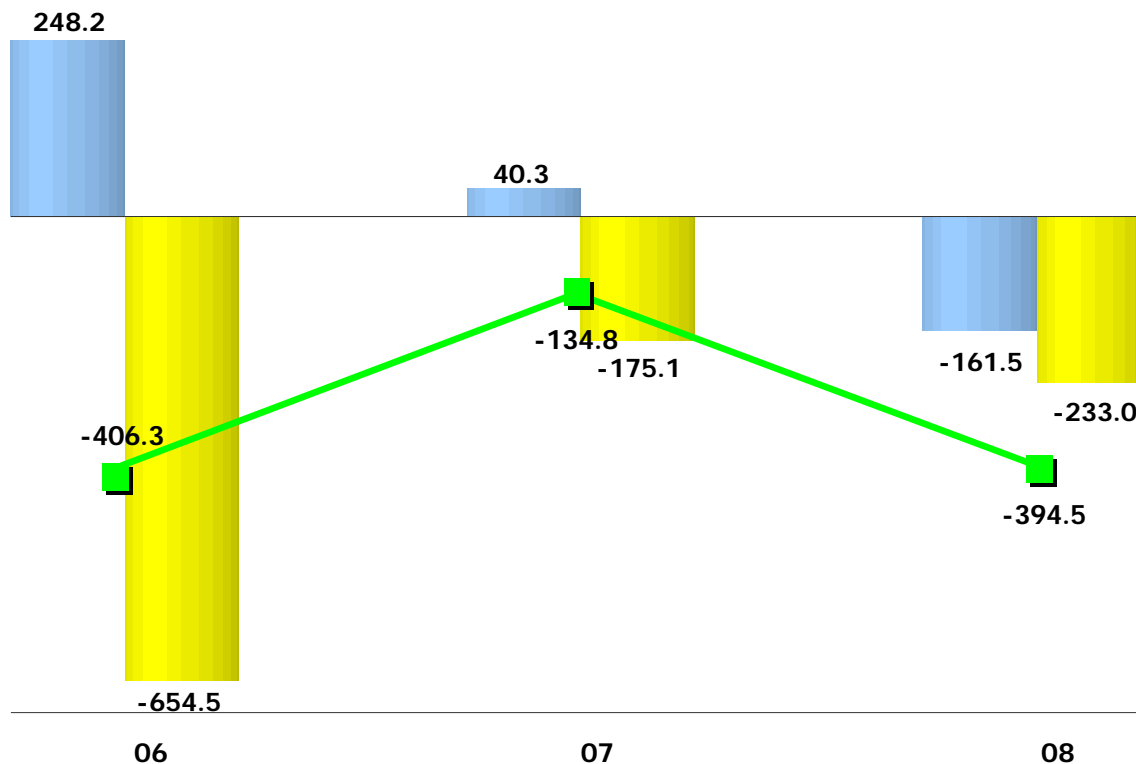
Non-Operating Income (loss) and Expenses FY2008 First 9 Months

(¥ billions)

	FY2008	FY2007	Difference vs. FY2007
Gain (loss) on sales of securities	75.8	25.7	50.1
Gain (loss) on sales of fixed assets	-3.6	136.2	-139.8
Equity in earnings of affiliates	5.4	19.2	-13.8
Foreign exchange gain (loss)	-41.6	-5.5	-36.1
Net financial income (loss)	-10.6	-12.4	1.8
Effect of change in the estimated useful lives of fixed assets	0.0	-35.0	35.0
Impairment loss of securities	-32.7	-0.6	-32.1
Expense of withdrawal from the Satellite Digital Multimedia Broadcasting business	-16.9	0.0	-16.9
Others	0.5	-25.9	26.4
Non-operating income (loss) and expenses (total)	-23.7	101.7	-125.4

Cash Flows – FY2008 First 9 months

(¥ billions)

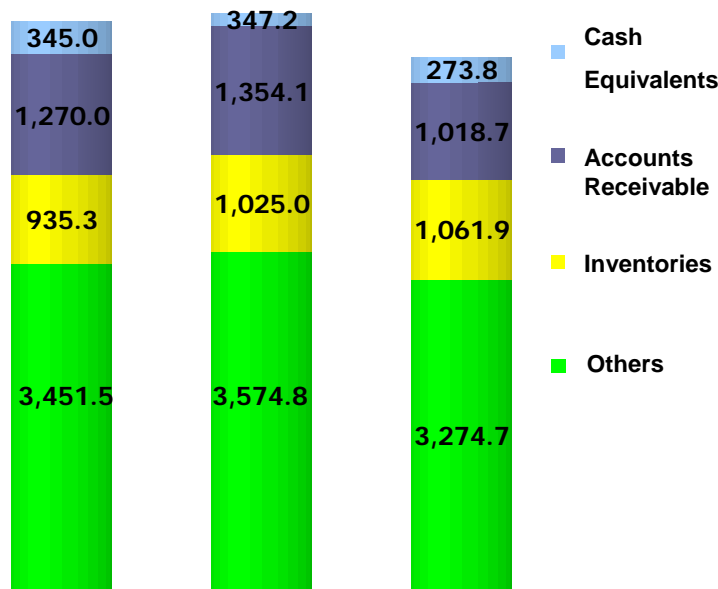


- Operating Cash Flow
- Investment Cash Flow
- Free Cash Flow

Consolidated Balance Sheets

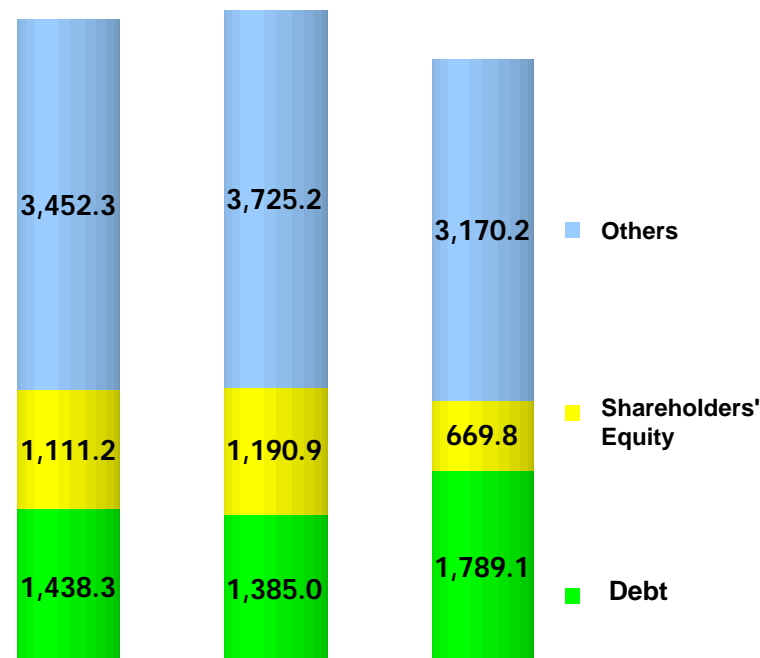
Assets

6,001.8 6,301.1 5,629.1



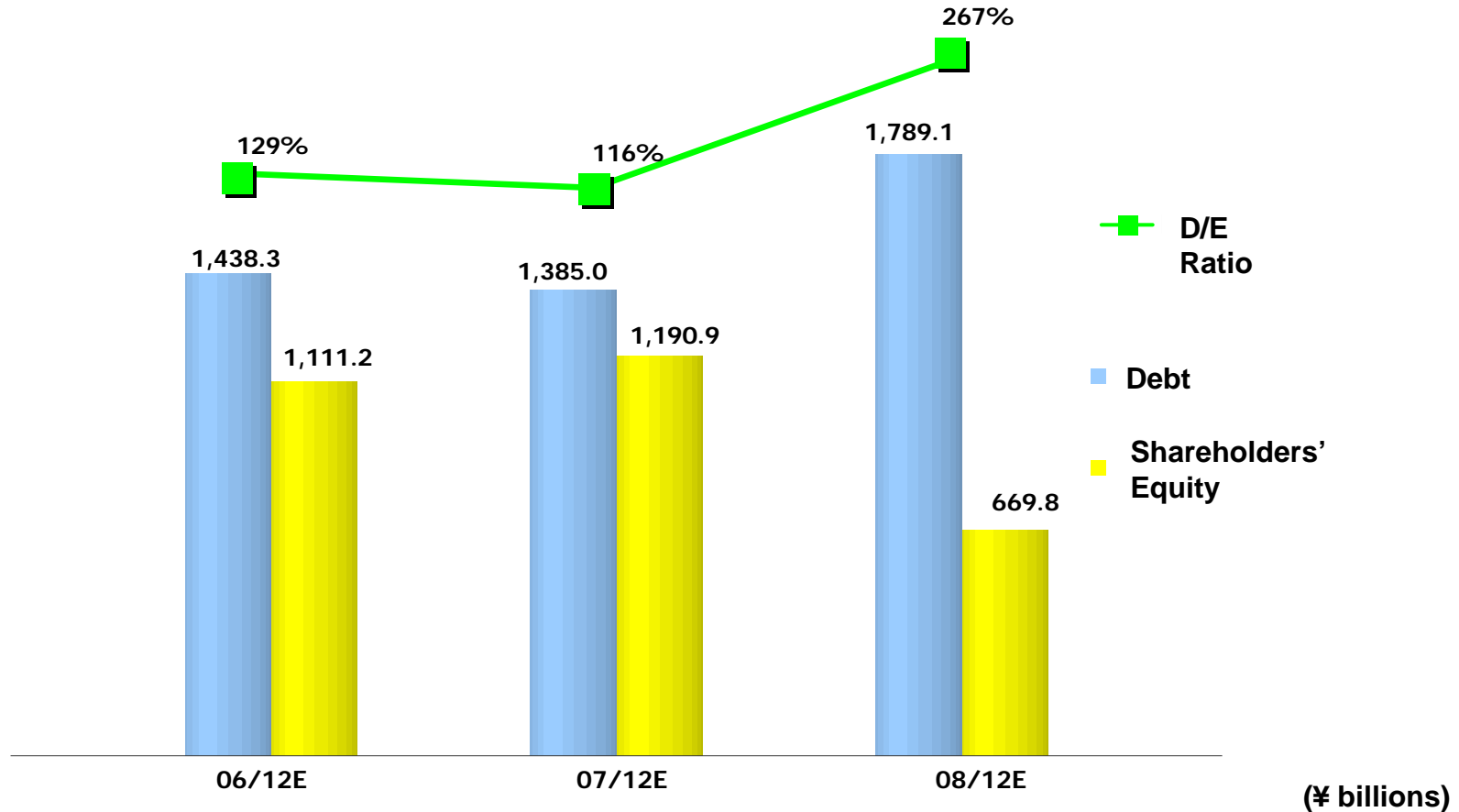
Liabilities and Shareholders' Equity

6,001.8 6,301.1 5,629.1



(¥ billions)

D/E Ratio



Overall Forecast – FY2008 (as of Jan. 29)

(Twelve months from Apr. 2008 to Mar. 2009)

(¥ billions)

	FY2008	FY2007	Plan (Sep. 2008)	Difference	
				vs. FY2007	vs. Plan (Sep. 2008)
Net Sales	6,700.0	7,668.1	7,700.0	-968.1	-1,000.0
Operating Income (loss)	-280.0	238.1	150.0	-518.1	-430.0
%	-4.2%	3.1%	1.9%	-7.3%	-6.1%
Income (loss) before income taxes and minority interest	-330.0	255.6	170.0	-585.6	-500.0
%	-4.9%	3.3%	2.2%	-8.2%	-7.1%
Net Income (loss)	-280.0	127.4	70.0	-407.4	-350.0
%	-4.2%	1.7%	0.9%	-5.9%	-5.1%

FY2008 Forecast (as of Jan. 29)

- **Significant revision due to the rapid, deep global recession**

Net Sales	6,700.0 billion yen	(-1,000.0 billion yen, -13%)
Operating income (loss)	-280.0 billion yen	(-430.0 billion yen)
Income (loss) before income taxes and minority interest		
	-330.0 billion yen	(-500.0 billion yen)
Net Income (loss)	-280.0 billion yen	(-350.0 billion yen)

- * **Prime causes are the deterioration in Electronic Devices and Digital Products**

Electronic Device: Operating loss		
	-340.0 billion yen	(-275.0 billion yen)
Semiconductor: Operating loss		
	-290.0 billion yen	(-225.0 billion yen)
Digital Products: Operating loss		
	-20.0 billion yen	(-90.0 billion yen)

- * **Slowdown in Social Infrastructure business**

Operating Income	120.0 billion yen	(-30.0 billion yen)
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(vs: Sep. 2008)

Overall Results – FY2008 3Q

(Three months from Oct. 2008 to Dec. 2008)

(¥ billions)

	FY2008	FY2007	Difference vs. FY2007
Net Sales	1,488.3	1,878.5	-390.2
Operating Income (loss)	-158.8	42.1	-200.9
%	-10.7%	2.2%	-12.9%
Income (loss) before income taxes and minority interest	-142.5	149.5	-292.0
%	-9.6%	8.0%	-17.6%
Net Income (loss)	-121.1	80.5	-201.6
%	-8.1%	4.3%	-12.4%

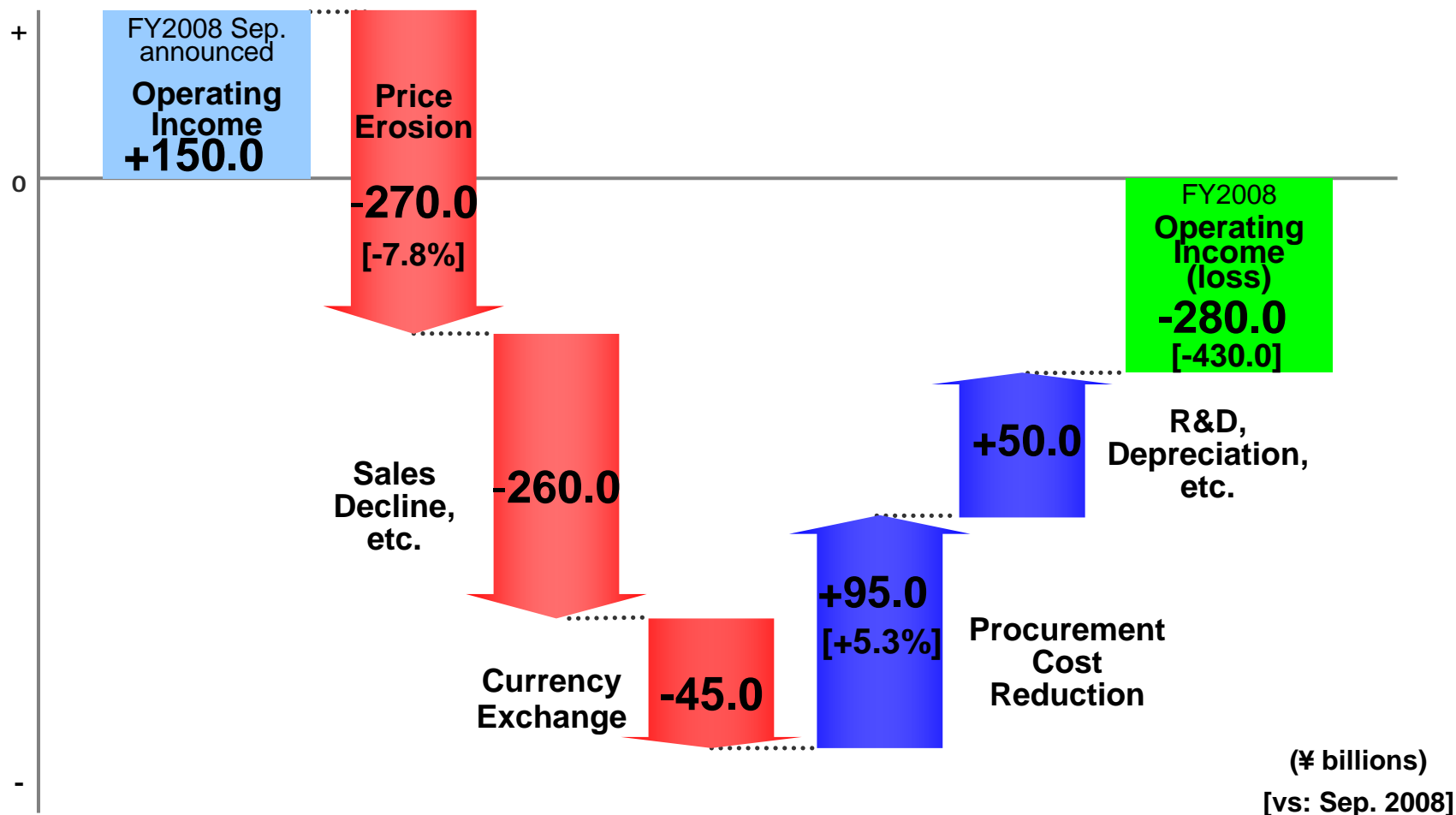
FY2008 Forecast, by Segment

(¥ billions)

Net Sales	FY2008	FY2007	Plan (Sep. 2008)	Difference	
				vs. FY2007	vs. Plan (Sep. 2008)
Digital Products	2,480.0	2,951.2	2,960.0	-471.2	-480.0
Electronic Devices	1,310.0	1,738.5	1,660.0	-428.5	-350.0
Social Infrastructure	2,400.0	2,419.0	2,550.0	-19.0	-150.0
Home Appliances	680.0	774.3	770.0	-94.3	-90.0
Others	340.0	384.6	350.0	-44.6	-10.0
Total	6,700.0	7,668.1	7,700.0	-968.1	-1,000.0

Operating Income (loss)	FY2008	FY2007	Plan (Sep. 2008)	Difference	
				vs. FY2007	vs. Plan (Sep. 2008)
Digital Products	-20.0	15.0	70.0	-35.0	-90.0
%	-0.8%	0.5%	2.4%	-1.3%	-3.2%
Electronic Devices	-340.0	74.1	-65.0	-414.1	-275.0
%	-26.0%	4.3%	-3.9%	-30.3%	-22.1%
Social Infrastructure	120.0	131.3	150.0	-11.3	-30.0
%	5.0%	5.4%	5.9%	-0.4%	-0.9%
Home Appliances	-30.0	3.9	0.0	-33.9	-30.0
%	-4.4%	0.5%	0.0%	-4.9%	-4.4%
Others	-10.0	14.7	-5.0	-24.7	-5.0
%	-2.9%	3.8%	-1.4%	-6.7%	-1.5%
Total	-280.0	238.1	150.0	-518.1	-430.0
%	-4.2%	3.1%	1.9%	-7.3%	-6.1%

Operating Income (loss) Analysis (Revised Forecast vs. Sep. 2008 Forecast)



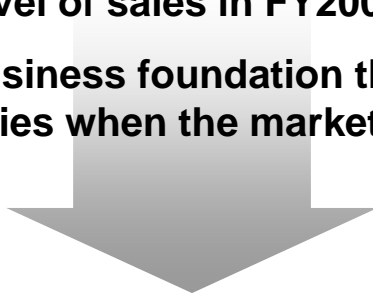
Basic Steps to Improve Profitability in FY2009

FY2008: Rapid severe deterioration in the business environment far exceeded all expectations



Severe managerial environment to continue in FY2009

- Implementing set of strategic policies aimed at generating profit, even at the level of sales in FY2008
- Building a strong business foundation that can quickly seize business opportunities when the market recovers



Implementing restructuring programs



Goal: return to profitability in FY2009

Action Programs to Improve Profitability in FY2009

1. Reforming the Structure of Businesses Most Affected by the Downturn

- Semiconductor business restructuring
- LCD business restructuring
- Other unprofitable businesses (digital products, home appliances) under review for possible restructuring

2. Executing Toshiba Group-wide Actions to Strengthen Our Business Structure

- All-out reduction of fixed costs
 - ※¥300 billion reduction vs. FY2008
- Measures to generate profit: strengthening cost competitiveness and expanding businesses outside Japan

3. Accelerating Strategic Allocation of Resources to Growth Businesses

- Shift managerial resources to Social Infrastructure businesses
- Accelerate new businesses in such fields as environment and energy

TOSHIBA

Leading Innovation >>>

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*FY2008 First Nine Months and Third Quarter
Consolidated Business Results*
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