

Strategies for transforming Toshiba Group to drive profitability, sustain growth and build-up competitive advantage

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President & CEO

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TOSHIBA CORPORATION

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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 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.

Basic management policies

Return to the path of sustained growth with high profit

Set up ambitious goals for innovation and speed its pace

Continue to accelerate our globalization

Push forward with CSR management





Leading Innovation >>>

Return to the path of sustained growth with high profit

I. Assure attainment of operating income of ¥100 billion in FY2009

Complete full implementation of our "Action Programs for Improving Profitability"

II. Strengthen business foundation for future growth Secure leadership in the marketplace

III. Focus on building up strong new businesses that will propel Toshiba Group into a new era of sustained growth with high profit

Identify and develop businesses that will contribute to the continuous growth of Toshiba Group

FY2009 forecast

(¥ billions)

	FY09	FY08	Difference
	1100	1100	vs. FY08
Net sales	6,800.0	6,654.5	145.5
Operating Income (loss)	100.0	-250.2	350.2
	1.5%	-3.8%	5.3%
Income (loss) from continuing operations, before income taxes	0.0	-279.3	279.3
and noncontrolling interests	0.0%	-4.2%	4.2%
Net income(loss) attributable to	-50.0	-343.6	293.6
shareholders of the Company	-0.7%	-5.2%	4.5%

*"The Company" refers to Toshiba Corporation.

Action Programs to Improve Profitability

Core objective: Bring about an early return to strong profitability

- Reduce fixed costs cut by ¥300 billion vs. FY08
- Restructure businesses most affected by the severe global recession



Concrete goal: achieve operating profit of ¥100 billion in FY2009



Assure that Toshiba Group has a steady, strong profitable business structure that will be able to effectively cope with volatile economic situations and market changes

Semiconductor Business restructuring measures

Continue focused investment in NAND flash memory as a key business Promote a flexible production structure by reorganizing assembly facilities and shifting to overseas operations with lower operating costs

Enhance productivity

Discrete	Fabrication: Assembly:	Shift to 6" and 8" lines for larger wafers (end 4" lines, substantially decrease 5" lines) Shift to overseas production to reduce operating costs (Overseas production ratio: from 30% of FY2008 to 50% of FY2009)
System LSI	Fabrication: Assembly:	Transfer some products from Kitakyushu Operations to Oita Operations (complete by the end of FY2009) Strengthen cost competitiveness by establishing a new JV in Japan (Oct. 2009)
NAND Flash Memories	Fabrication: Assembly:	Improve throughput in 300mm clean rooms Centralize process technology development at Yokkaichi Operations to improve development efficiency Establish flexible production structure by outsourcing

Maximize investment efficiency and returns

■ FY2009 Capex:

60% cut from FY2008 by focused investment in promoting finer lithography

FY2009 R&D:

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20% cut from FY2008 by carefully selecting projects and improving development efficiency

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Reduction of Fixed Cost

-15% vs. FY2008

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Restructuring measures for LCD, Home Appliances and Digital Products

LCD Business

Concentrate resources on high value-added products

Reduce amorphous silicon products (4 lines \rightarrow 1 line)

Rationalize to two bases in Japan (Fukaya Works and Ishikawa Works) (January 2010)

 \rightarrow End manufacturing at Uozu Works and realign operations in Himeji District

Home Appliances Business

Integrate manufacturing and R&D facilities in Japan

Production: transfer to a subsidiary in China and Toshiba Home Technology Corporation → End manufacturing in Aichi Operations (December 2009)

R&D transfer production to Aichi Operations (vacuum cleaners) and

- to Toshiba Home Technology Corporation (cooking appliances)
- → Close of Hatano Operations (September 2009)

Digital Products Business

Revise manufacturing structure to pursue efficiency

Mobile phone business: transfer overseas

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- \rightarrow End manufacturing at Hino Operations (September 2009)
- TV Business: centralize European manufacturing structure
 - →Cease manufacturing in U.K. (September 2009)

Reduction of Fixed Costs

- ¥50 billion vs. FY2008

Reduction of Fixed Costs -25% vs. FY2008

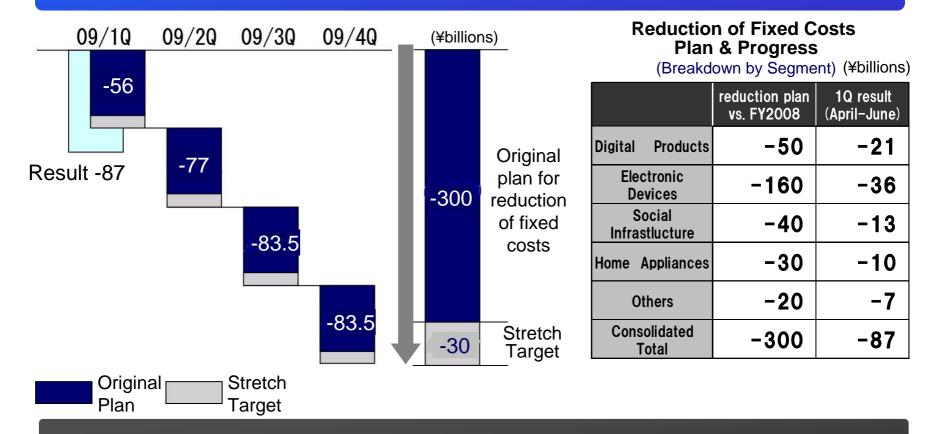
Reduction of Fixed Costs

- ¥30 billion vs. FY2008

Reduction of fixed costs

Stretch Target is more than -330 billion yen,

Thorough monthly management vs. original plan of -300 billion yen



1Q (April-June): Surpassed original plan with reduction of 87 billion yen

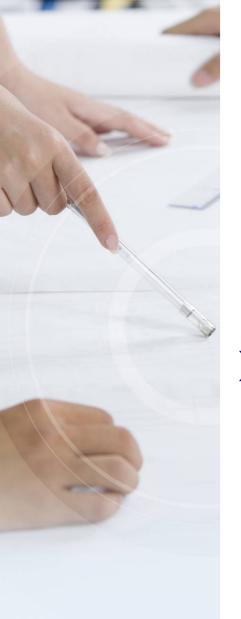


FY2009 1Q consolidated business results

Operating income of Digital Products, Electronic Devices, Home Appliances up 108.7 billion yen vs. FY08/4Q. Social Infrastructure operating income up 2.3 billion yen year-on-year, but down against the previous quarter, the usual seasonal pattern

(¥ billions)

		FY09/1Q	Difference		
		(Apr-Jun)	vs. FY08/1Q	vs. FY08/4Q	
Ne	t sales	1,339.7	-278.4	-331.8	
Operating income (loss)		-37.6	-14.7	36.4	
	-2.8%	-1.4%	1.6%		
	Digital Products	4.8	-8.4	20.4	
	Electronic Devices	-44.2	-10.0	81.2	
	Social Infrastructure	6.6	2.3	-71.3	
	Home Appliances	-4.6	2.3	7.1	



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Return to the path of sustained growth with high profit

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- II. Strengthen business foundation for future growth Secure leadership in the marketplace
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Identify and develop businesses that will contribute to the continuous growth of Toshiba Group

Mid-term Business Plan

Electronic Devices	Digital Products Home Appliances		Social Infrastructure	Focus On Strong New Businesses	
			en capabilities in the environment, ital life-supporting needs & healthcare		

Return to the path of growth

- Strategic allocation of resources
- Acceleration of globalization
 Push forward development of
- Push forward development or strong new businesses



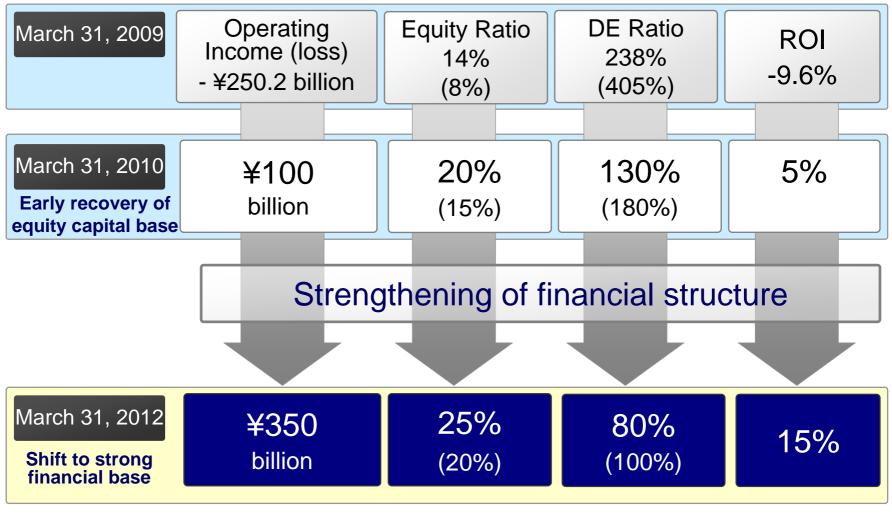
Strengthen Toshiba Group's financial structure

 Adoption of a more efficient, more selective and higher return investment policy

Goal: Diversified, globally competitive, leading world electric/electronic manufacturer in all our business segments

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Planned figures for FY2011



 Percentage in parentheses are derived from the equity excluding equity attributable to noncontrolling interests
 ROI: Operating Income/(Equity capital + interest bearing debt)

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Main strategic policies for our business segments

Digital Products Business Group

Basic Strategy

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FY 2011 Plan Net Sales: ¥2.9 trillion ROS: 2.1%

Introduce products that meet market trends

- •Cost competitive commodity products that focus on necessary functions
- Products with value-creating differentiated technologies that support high-level communications and broadcasting infrastructure.



Digital Products Business Group

TV Business

Product Strategy

- ·Standard models: Sustain cost competitiveness by utilizing ODMs
- •Middle to high-end models: Strengthen brand identity and productivity with Toshiba's semiconductor image processing technology

Business and Regional Strategy

- Developed Country Markets: Improve management efficiency by consolidating overseas sales sites.
- Newly Emerging Country Markets: Expand business by accelerated product development focused on necessary functions

PC Business



Product Strategy

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- •Expand product line-up to adapt to shift to lower-priced products (4 \rightarrow 6 models below \$599)
- •Enter markets where future growth can be expected, including network connectivity
- Utilize Toshiba's technologies (high density packaging, fast start-up, energy efficiency, SSD*) and differentiate products
 SSD* :Solid State Drive

Business and Regional Strategy

- •Emerging countries: Develop products that meet regional market priorities and expand business -China: Expand distribution channels and increase market share.
 - 4% (FY08) \rightarrow 7% (FY10) *unit base

(Concept image)

Electronic Devices Group

Basic Strategy

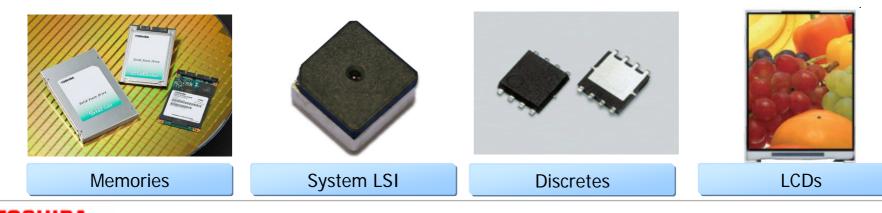
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FY2011 Plan Net sales: ¥1.8 trillion ROS: 5.7%

Strategic allocations of resources

- Semiconductor Business: NAND/ SSD*, analog IC, CMOS sensors, power semiconductors
 *SSD: Solid State Drive
- LCD Business: low-temperature polysilicon products
- Enhance cost competitiveness by maintaining technology advantage
- Increase profit by expanding products line-ups
- Rebuild profit base through Action Program

Semiconductor Business. Maintain world top 3 in net sales



NAND market growth

(Toshiba's projection)

Premium Market

Current Market

2009

(CY) 2007

2008

(GB equivalent)

Memory Business

Restructure to become a high profit business by enhancing technology advantage

- Always secure leadership in migration and density
 - Further implementation of 32nm
 - Start mass production from July 2009
 - Extend to 65% of production by end of FY2009
 - •Enhance investment to secure advantage in development for 2Xnm NAND migration and for post-NAND
- Meeting increasing application of NAND with expanded line-up of MLC*, for embedded applications, and SLC*.
 *MLC: Multi Level Cell, SLC: Single Level Cell

Smartphones, mobile phones, SSD, DVC, industrial equipment, content, etc.

Flexible investment and manufacturing according to demand circumstances

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2010

System LSI Business

Focus on product areas where we have industry-leading competitiveness

Focus on analog, sensor and imaging ICs: Sales share 35% (FY08) \rightarrow 45% (FY11)

Expand business scale

- Capitalize on development strengths and capabilities in design through to packaging
 - Propose effective technology combinations
- Strategic marketing in each focus markets
 - Secure business continuity by making proposals and providing support at the system level
- Emphasize commodity products (ASSP*)
 - Secure broad business opportunities in all market areas

Pursue efficiency

- Efficient use of design capabilities and know-how
 - Increase development efficiency by using common platforms
 - Bring advanced process technologies for memories to sensors and analog ICs
- Shorten design lead times
 - Shorter by -35% in FY09 vs. FY08
- Flexibly promote various business models including fabless business

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Discrete Business

Return to stable income and robust World No.1

Expand cost competitiveness by increasing overseas share of back-end process

30% in FY08 \rightarrow 50% in FY09 \rightarrow over 60% in FY10

- Enhance product competitiveness with high performance products
- Enhance sales structure to expand sales in Asia
 - \rightarrow Work to be World No.1 in power devices



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Social Infrastructure Business

Basic Strategy

Further enhance nuclear power businesss BWR^{*1}, PWR^{*2}, Front-end and back-end businesses *1 BWR: Boiling Water Reactor; *2 PWR: Pressurized Water Reactor FY2011 Plan Net Sales: ¥3.1 trillion ROS: 6.5%

Enhance environmentally-conscious business

CCS^{*3}, .Solar photovoltaic systems, smart grid, SCiBTM, etc. *3 CCS: Carbon dioxide Capture & Storage

Accelerate globalization

Thermal and hydro power systems, transmission and distribution systems, transportation systems, high-efficiency industrial motors, elevator and building systems and medical systems businesses, etc.



AP1000[™] Nuclear Power Plant Systems

Steam turbines and generators Compact type 145kV GIS No.1 share for six in world's smallest class consecutive years in the US



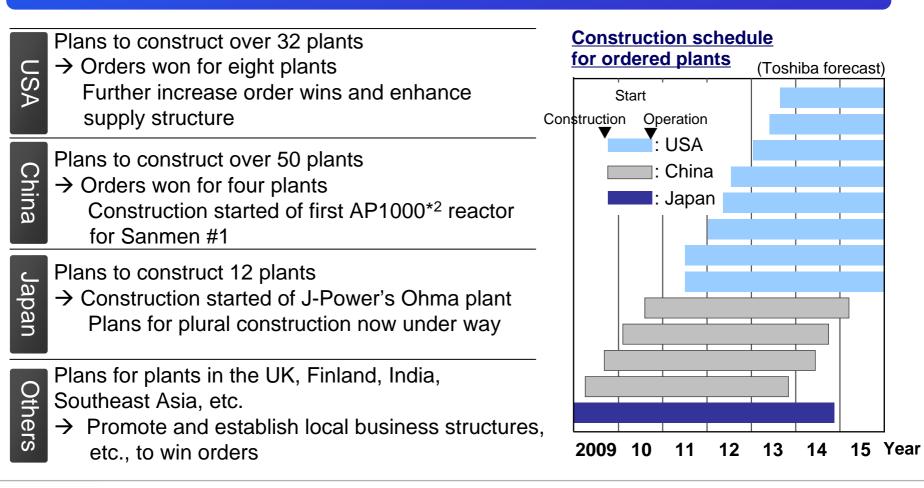
Aquilion ONETM World's first 320 CT scanner METI Minister Award by 8th annual forum for the promotion of meeting on industry, academia and government collaboration



Shanghai World Financial Center 600 meters a minute, the fastest* elevators in mainland China (*Source: Toshiba)

Nuclear Energy Business (1)

Maximizing synergies between Toshiba and Westinghouse*1 Expect to receive orders for 39 units worldwide by 2015



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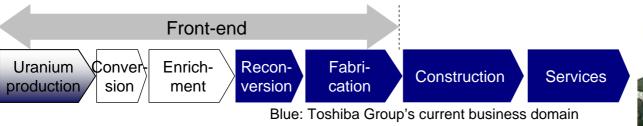
*1 Westinghouse Electric Company

*2 AP1000: Next-generation pressurized water reactor

Nuclear Energy Business (2)

Establish a business model based on total package proposal capability, including plant construction, fuel supply and maintenance services

FY2015 Plan Net Sales: ¥1.0 trillion



Expand and strengthen front-end business

- Invest in mine development to secure uranium interests (Kharassan uranium mines project of Kazakhstan and Uranium One Inc. of Canada)
- Promote studies on enriched uranium products and stockpiling businesses
 (Studies businesses

(Studying business concepts with TENEX of Russia)

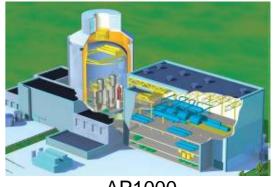
- Enhance Westinghouse's fuel business
 - Increase fuel production: Reinforce fuel factories, establish a nuclear grade zirconium sponge production JV)
 - Enhance presence in Japan and Asian markets: Established Westinghouse Electric Japan; acquired a stake in Nuclear Fuel industries of Japan

Enhance leading position and expand business opportunities in plant construction and services market

- Toshiba and Westinghouse collaboration in technologies and sales capabilities
- Acceleration by M&A (acquisition of CS Innovations in the US, etc.)



ABWR^{*1}



AP1000

*1 ABWR: Advanced Boiling Water Reactor

Transmission and Distribution Systems Business

Establish a strong global manufacturing and sales system

Overseas net sales ratio 75% (FY2015)

China

- Participate in National Projects
 - \rightarrow UHV^{*1}: Pilot plant scheduled to come on line in Jan, 2009
 - → High voltage power transmission system offering high efficiency and low power loss contributes to mitigation of global warming and provision of stable power supply
- Reinforce manufacturing facilities
 - → Establish parts production facility for GIS^{*2}, enlarge manufacturing facilities
 - \rightarrow Acquire manufacturers of distribution transformers

Brazil

Acquisition of Brazil CCES^{*3} to enter AIS^{*4} business

India and Russia

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*1 UHV: Ultra High Voltage
*2 GIS: Gas Insulated Switchgear
*3 CCES: Camargo Correa Equipmentos e Sistemas
*4 AIS: Air Insulated Switchgear

- Indian market: Plan to establish manufacturing and sales operation site
- Russian market: Plan to cooperate with local engineering companies to expand sales

Transportation Systems Business

Respond to global trend to investment in rail transport with core technologies that improve environmental performance

Overseas sales ratio: 60% (FY2015)

Global deployment of electronic components business for electric locomotives

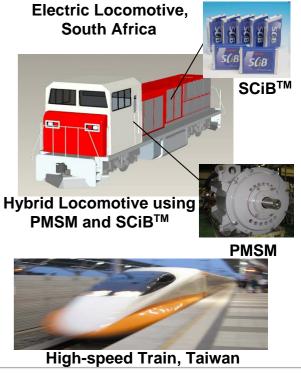
- •Cumulative total of 1,200 orders for locomotives from China, South Africa, etc.,
- \rightarrow Participation in the Indian rail cargo project, etc.

Core technology for Improving Environmental Performance

- •Permanent magnet synchronous motor (PMSM) drive system
- Development and promotion of hybrid system using SCiB[™]
- Plan to launch environmentally-conscious hybrid locomotive
- Participation in major high-speed rail projects
 - Enhance promotional activities for high-speed rail plans in Brazil and other countries of the world







Home Appliances Business

Basic Strategy

FY2011 Plan Net sales: ¥700 billion ROS: 1.4%

Be No.1 in energy saving, No.1 in comfort, with "eco style"

- Propose new lifestyles with environmentally-conscious products
- Expand business with total proposals for the home, office and stores

Expand businesses in emerging markets by further developing regional product strategy

- Introduce new products that meet local needs in China, Brazil, Asia, Russia, etc.
- Further reduce costs by promoting local design and expanding manufacturing sites

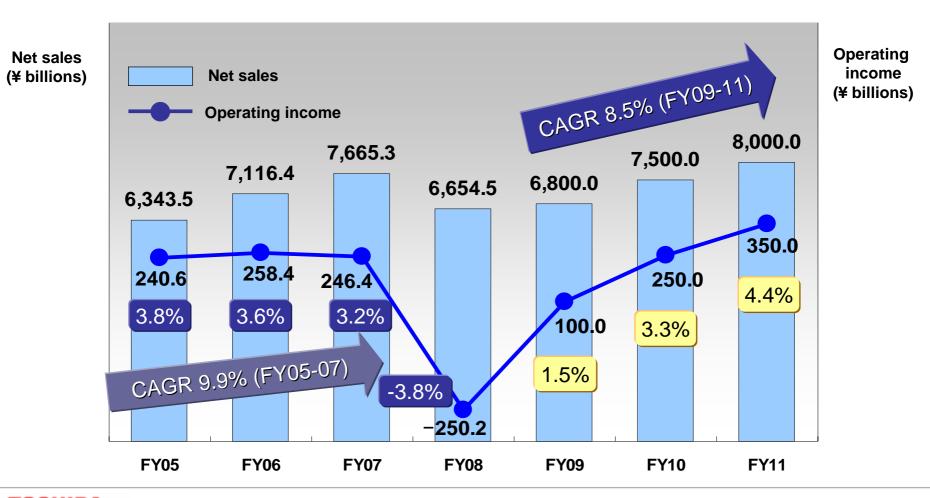
Promote continuous structural reorganization to establish robust, high-profit structure



Numerical targets

Plans for Net Sales and Operating Income (FY09-11)

FY2011: net sales of ¥8 trillion, ¥350 billion in operating income



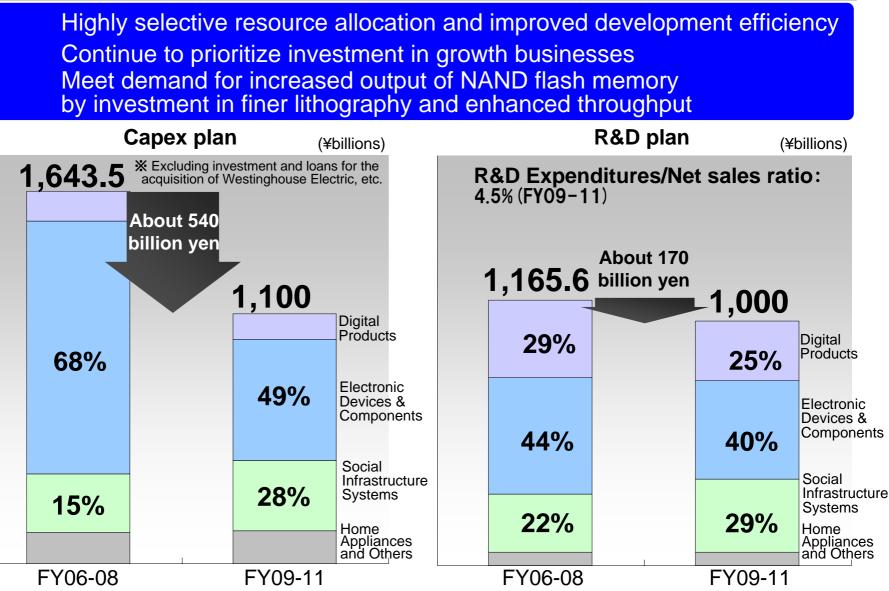
Net Sales and Operating Income Plan by Segment

Return to the path of sustained growth with high profit

(¥ billions) **FY2008 FY2009 FY2011** CAGR **Results** Plan FY09-FY11 Forecast Net sales 2,467.5 2,450.0 2,850.0 8% Digital **Products** Operating income rate -0.6% 1.0% 2.1% Net sales 1,324.9 1,350.0 1,750.0 14% Electronic Devices Operating 5.7% income rate -24.4% -4.4% Net sales Social 2,396.2 2,570.0 3,060.0 9% Infrastructure Operating 4.7% 5.8% 6.5% income rate Net sales Home 674.3 680.0 720.0 3% **Appliances** Operating -4.0% 0.0% 1.4% income rate

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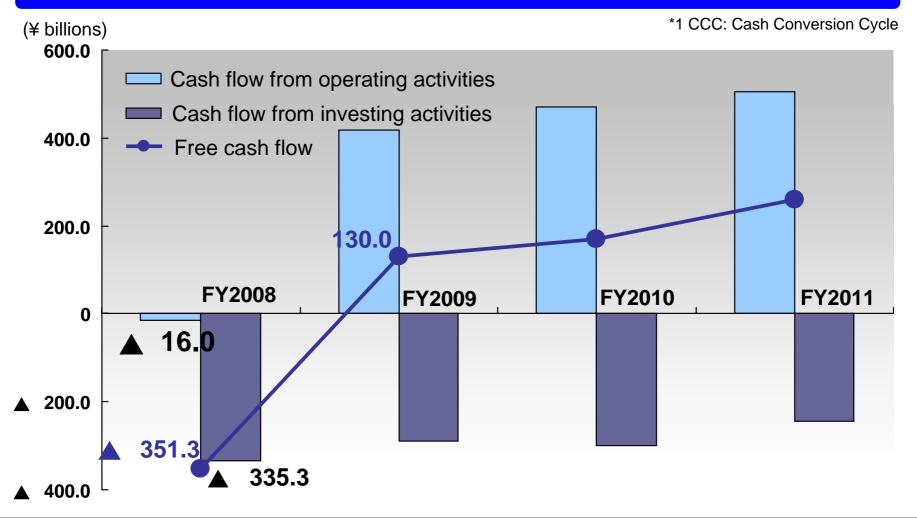
Capex Plan and R&D Plan



Cash flows

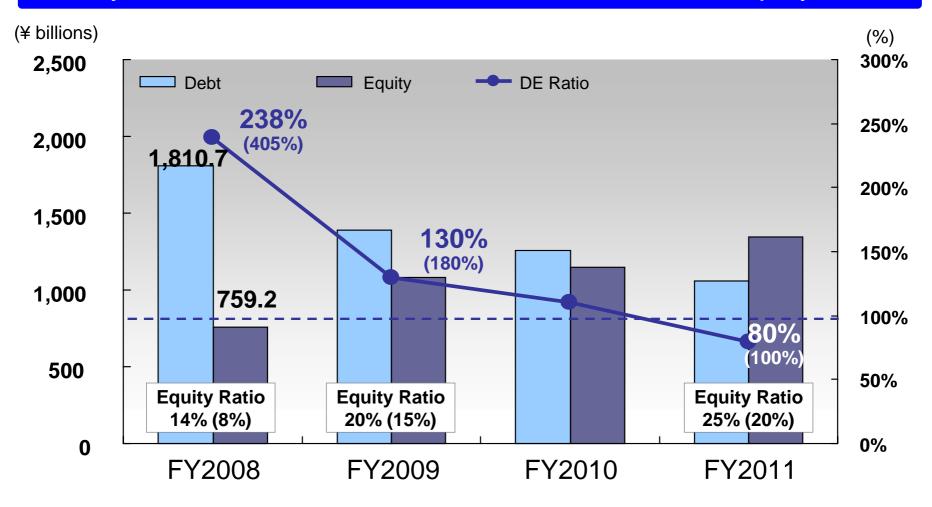
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Secure early establishment of healthy financial base by steadily promoting Action Programs to Improve Profitability, and improving CCC^{*1}, etc.



Equity Ratio and Interest-bearing Debt

Early realization of 80% DE ratio and over 25% equity ratio



Note: Percentage in parentheses are derived from the equity excluding equity attributable to noncontrolling interests

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Global megatrends

New stage of globalization	e	Rise of emerging countries	S	Issues in advanced industrialized countries
	ega- betition	/ast growth of middl class populations Greater industrial development, Change of dietary habits,	En q	Aging population hanced juality- of-life Affordable healthcare
cor	g demand fo nmodity	Rising cost and shortage of resources due to		
Digital convergence	oducts	Energy security an clean energy Global warming	nd	
Enhanced qua of-life using digital produ	ality- J cts	Realize sustainable socie	ety	Vital needs & healthcare

*Vital needs & healthcare: supporting life-sustaining human needs such as for water, air and food & contributing to good health

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Focus on new businesses for a new economic era

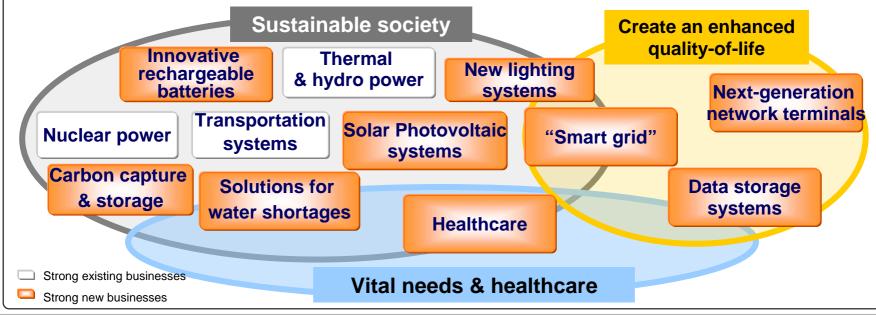
Toshiba's Strengths

World's highest level energy and environmental technologies System configuration capabilities able to meet diverse requirements



Innovation of new technologies, products and services that create great value for society

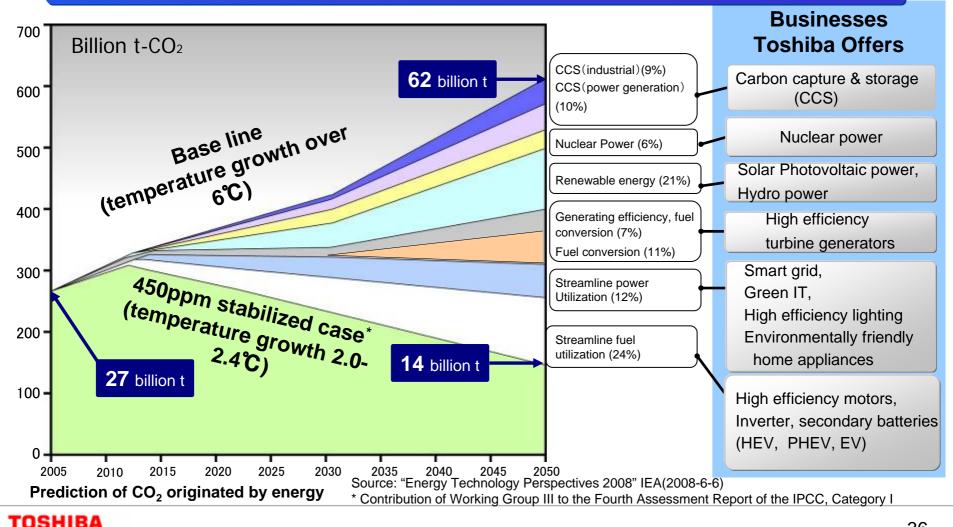
Emphasize business areas where we can expect to see the multiplier effect of Toshiba's strengths, centering on the vital life-supporting needs and healthcare areas



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Business opportunities in cutting global CO₂ emissions

Promote and accelerate environmentally-conscious business and meet demands to cut CO₂



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CCS Business

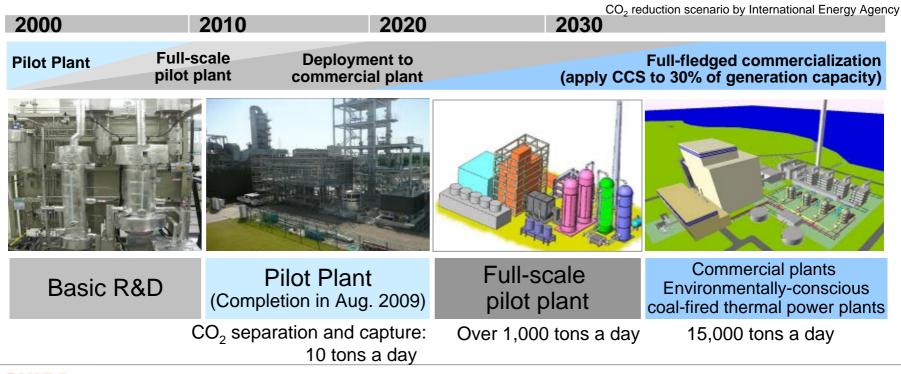
Toshiba's strengths

FY2020 Plan Net Sales: ¥100 billion

- Industry-leading level of minimal energy consumption during CO₂ separation and capture
- Total optimization technology for CO₂ capture process and power generating system

Plans

- Prove system performance using pilot plant (start in Aug. 2009)
- Deploy CCS technology to commercial plants (around 2015)



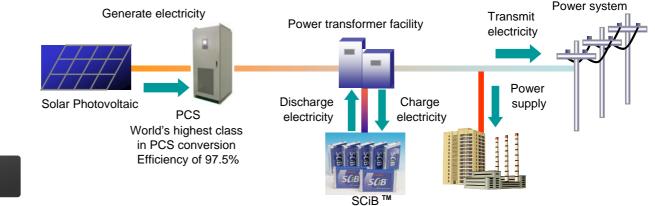
Solar Photovoltaic Systems Business

Expand business scale by world-class technology

Toshiba's Strengths

 System technology: Connecting the generation system to the distribution system; optimum power network control FY 2015 Plan Net Sales: ¥ 200 billion

- Power electric technology: World's highest class in achieving PCS^{*1} conversion efficiency : 97.5%
- Innovative battery technology: SCiB[™]: Safe, long life-cycle, rapid charging
- Large-scale plant engineering technology



- Actively participate in domestic power projects and industry mega solar contracts.
- Actively enter overseas power electric and industrial market with the cooperation with local system integrators
- Reinforce support for smart grid.

Plans

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*1 PCS: Power Conditioning System

Smart Grid: Power network & facility solution

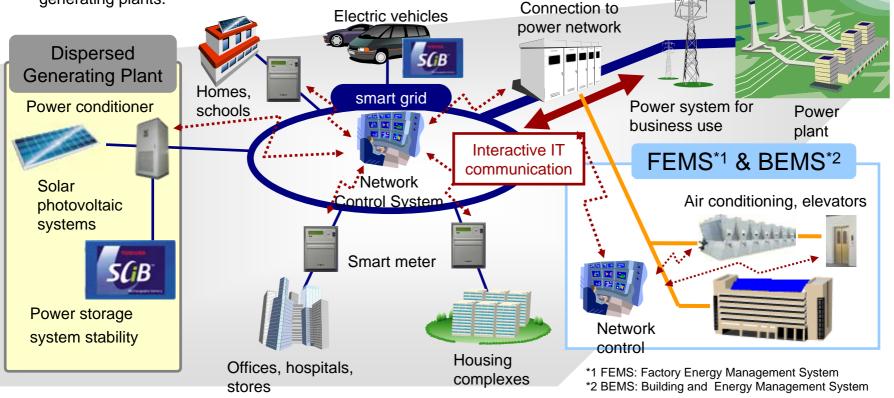
Toshiba's Strengths

Provide stable control of power network, power systems inspection control technology, smart meter and SCiB[™] technology

FY 2015 Plan Net Sales: ¥ 100 billion

Plans

- Plan to establish a new company jointly with Toko Electric Corporation, a group company of Tokyo Electric Power Company (Dec, 2009)
- Provide facility solutions, including FEMS and BEMS, and adapt to the deployment of dispersed generating plants.



Rechargeable Battery and Portable Fuel Cell Businesses

Rechargeable battery, SCiB™

Toshiba's Strengths

 Superior performance in terms of safety, long-life cycle, rapid charging and low temperature operation

Plans

- Cooperate in development of electric drive and unit^{*1} for EV & HEV with Volkswagen AG.
- In anticipation of strong future demand (applications including EV & HEV and smart grid), plan to establish second production facility

Fuel cells (DMFC*2)

*2 Direct Methanol Fuel Cells

Toshiba's Strengths

Lead the industry in shrinking size; establish production technology

Plans

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Begin sales of external battery charger (in first half of FY2009); Commercialize DMFC packs for cell phones and PCs in due course



DMFC packs for cell phones



*1 electric drive and unit: motor, inverter, and SCiB

FY 2015 Plan Net Sales: ¥160 billion

FY 2015 Plan

Net Sales: ¥200 billion

New Lighting Systems Business

Toshiba's strengths

FY 2015 plan Net sales: ¥350 billion

- Realized industry-leading performance of 84lm/W^{*1}
- Wide-ranging know-how in areas related to new lighting systems combined with competitive power that harnesses Toshibas total capabilities in technology, products and operations
 - → Devices, materials, optical sources, various applications, global infrastructure (bases, human resources)

Plans

Enhance line-ups

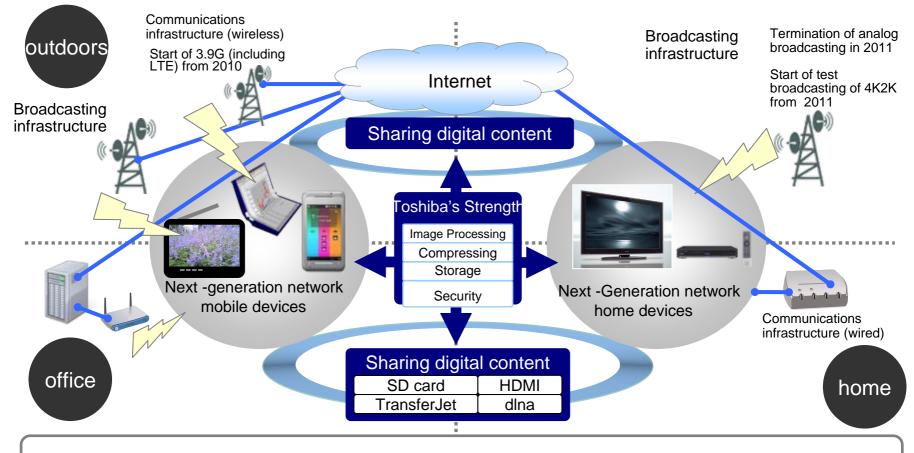
- •LED bulbs, General lighting equipment (down lights, base lights, guide lights, exterior lighting), Industrial lighting (studios, airport lighting)
- Enhance global business
 - Sales operation in the EU and the US (Started in April 2009 →)
 - Consider products strategies by application, in both advanced and emerging countries



Contribute to "Lighting the way to warmth and harmony with people and the environment"

Next-Generation Network Devices

Realizing a digital world where people can live in security and comfort



Introducing digital mobile and home devices for high-level, next generation networks that realize a comfortable life.

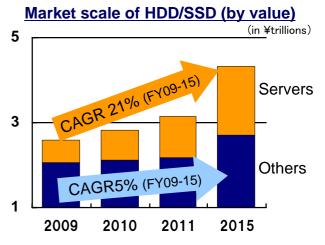
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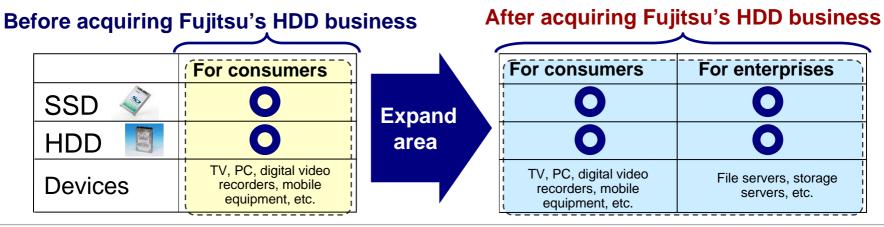
Storage Business

Enhance business by synergy between the acquired enterprise business and NAND flash memory

- Demand for storage capacity is expanding due to growth in the market for servers
- Acquire Fujitsu's HDD business and add Toshiba's strengths in NAND technology
- Launch storage products in enterprise market (Plan: FY2010)



Source: Toshiba



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Vital Needs Support and Healthcare Business

Healthcare Business

Toshiba Group to contribute to healthcare in an aging society and restrain medical expenses

- Position diagnostic imaging technology as the Company's strength, and expand business domain from diagnosis to medical treatment
- Strengthen entry-level models in newly emerging countries
- Strengthen IT in healthcare field (including hospital Information systems)
- Expand business domain by entering new business fields
 First approval under Japan's Pharmaceutical Affairs Law of an electrochemical DNA chip to detect strains of viruses that cause cervical cancer (July 2009)

Vital Needs Support Business

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Expand water-related business in order to contribute to a society that needs water resources due to population growth

- Water and sewage treatment technology : Develop new technology that can be a core for water and wastewater treatment
- Seawater desalination: Develop technology to reduce cost of water supply from seawater → start trial test of seawater desalination plant (Sep. 2009)



Seawater desalination system



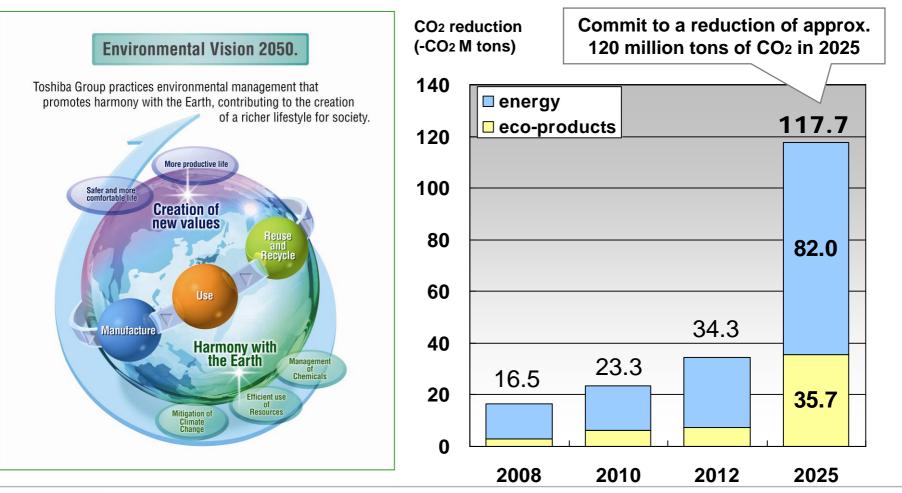
Multi-slice, large detector row CT

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Push forward with CSR management

Contribute to the future and a sustainable global environment as "a corporate citizen of planet Earth"

Implementing CSR through business activities



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Mid- to Long-term Vision: What Toshiba aims to be

- Assure that Toshiba Group has a steady, strongly profitable business structure that can withstand volatile economic situations and market changes
- Transform Toshiba Group into a diversified electric/electronic manufacturer with excellent operational performance and winning global competitiveness
- Toshiba Group will contribute to the future of a sustainable world as a leading eco-company with superior eco-technologies and ecoproducts.

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