

TOSHIBA

Leading Innovation >>>

**FY2014 First Nine Months
and Third Quarter
Consolidated Business Results**

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Corporate Executive Vice President**

TOSHIBA CORPORATION

January 29, 2015

Forward-looking Statements

- This presentation contains forward-looking statements concerning future plans, strategies and performance of Toshiba Group.
- These forward-looking statements are not historical facts, rather they are based on management's assumptions and beliefs in light of the economic, financial and other data currently available.
- Since Toshiba Group is promoting business under various market environments in many countries and regions, they are subject to a number of their 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 readers that actual results might differ materially from our expectations.
- Toshiba's fiscal year (FY) runs from April 1 to March 31. 1H refers to the first six months (April-September), 2H refers to the latter six months (October-March), 1Q refers to the first quarter (April-June), 2Q refers to the second quarter (July-September).3Q refers to the third quarter (October-December), and 4Q refers to the fourth quarter (January-March).
- All figures are consolidated totals for the first 9 months of fiscal year 2014, unless otherwise stated.
- Prior-period performance on consolidated segment information has been reclassified to conform with the current classification.
- The optical disc drive (ODD) business is classified as a discontinued operation in accordance with the Accounting Standards Classification (ASC) 205-20 "Presentation of Financial Statements – Discontinued Operations". The results of the ODD business have been excluded from net sales, operating income (loss), and income (loss) from continuing operations, before income taxes and noncontrolling interests. Net income of Toshiba Group is calculated by reflecting the ODD business results to income (loss) from continuing operations, before income taxes and noncontrolling interests. Results of the past fiscal years and figures announced at the beginning of the fiscal period have been revised to reflect this change.
- Until FY2013, some of advanced R&D expenses and headquarters administrative overhead expenses were allocated to all segments. Starting in FY2014, part of these expenses is classified into corporate expenses without being allocated to the segments. Results of the past fiscal years have been revised to reflect this change.

Key Points of First 9 Months of FY2014

- **Net Sales:** Toshiba Group recorded significantly higher sales than in the year-earlier period, primarily due to growth in the Energy & Infrastructure, Community Solutions and Electronic Devices & Components segments.

Net Sales: 4,716.2 billion yen (YoY: +184.2 billion yen)

- **Income (Loss):** Toshiba Group recorded operating income of 164.8 billion yen in the first nine-month period (1-3Q), the highest ever for 1-3Q.

Operating income: 164.8 billion yen (YoY: +9.6 billion yen)

Income before income taxes and noncontrolling interest: 134.9 billion yen (YoY: + 41.5 billion yen)

Net income: 71.9 billion yen (YoY: + 33.2 billion yen)

- The Electronic Devices & Components segment recorded operating income of 177.7 billion yen in 1-3Q, the highest ever for a first nine-month period, even higher than the record seen in FY2013.
- The three main pillars of Toshiba's business, Energy, Data Storage and Healthcare, recorded a combined operating income of 254.8 billion yen and a return on sales (ROS) of 6.5%.
- For acceleration of structural reform of the PC business and foreign currency fluctuation, one-time expenses of 46.0 billion yen are allocated in operating income (loss).
- Income before income taxes and noncontrolling interest and net income also increased significantly YoY, reflecting a settlement of lawsuit and the positive effects of light asset management that has been promoted since the beginning of FY2014.

- **The debt-to-equity (D/E) ratio was 112%, a YoY improvement of 16 points.**

- **Toshiba will undertake a fundamental restructuring of Toshiba's Visual Products business by ceasing TV development and sales operations in North America and licensing the TV business to another company. Toshiba is in discussion with candidates on promoting the same strategy for other global regions.**

FY2014 First 9 Months Overall, Year-on-Year

(Yen in billions, except Earnings (Losses) per share)

	FY14	FY13	Difference
	1-3Q	1-3Q	vs. FY13/1-3Q
Net Sales	4,716.2	4,532.0	184.2
Operating Income (Loss)	164.8	155.2	9.6
%	3.5%	3.4%	0.1%
Income (Loss) before income taxes and noncontrolling interests	134.9	93.4	41.5
%	2.9%	2.1%	0.8%
Net Income (Loss)	71.9	38.7	33.2
%	1.5%	0.9%	0.6%
Earnings (Losses) per share attributable to shareholders of the Company	¥16.98	¥9.13	¥7.85

* “Net Income (Loss)” refers to Net Income (Loss) attributable to shareholders of the Company hereinafter.

** “the Company” refers to Toshiba Corporation hereinafter.

FY2014 First 9 Months by Segment, Year-on-Year

(Yen in billions)

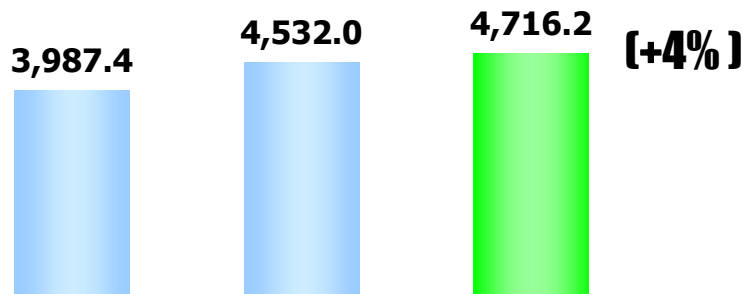
Net Sales	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Energy & Infrastructure	1,370.3	1,178.6	191.7
Community Solutions	973.3	915.8	57.5
Healthcare Systems & Services	276.3	268.9	7.4
Electronic Devices & Components	1,294.0	1,256.7	37.3
Lifestyle Products & Services	886.4	968.2	-81.8
Others	373.6	347.7	25.9
Total	4,716.2	4,532.0	184.2

Operating Income (Loss)	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Energy & Infrastructure	40.0	8.0	32.0
%	2.9%	0.7%	2.2%
Community Solutions	24.5	17.6	6.9
%	2.5%	1.9%	0.6%
Healthcare Systems & Services	12.6	15.4	-2.8
%	4.5%	5.7%	-1.2%
Electronic Devices & Components	177.7	174.3	3.4
%	13.7%	13.9%	-0.2%
Lifestyle Products & Services	-63.5	-38.9	-24.6
%	-7.2%	-4.0%	-3.2%
Others	2.0	4.7	-2.7
%	0.5%	1.3%	-0.8%
Total	164.8	155.2	9.6
%	3.5%	3.4%	0.1%

Overview, FY2014 First 9 Months Results

(Yen in billions)

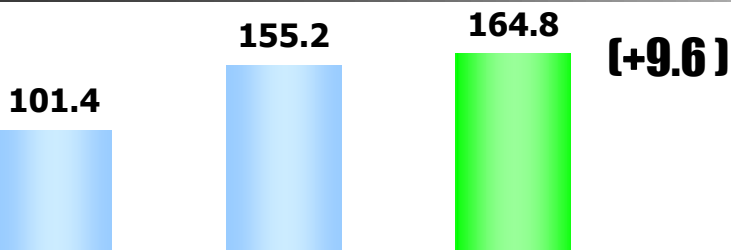
[] = Year-on-year comparison



Higher sales

Toshiba Group as a whole saw significantly higher sales YoY, reflecting increases in the Energy & Infrastructure, Community Solutions and Electronic Devices & Components segments.

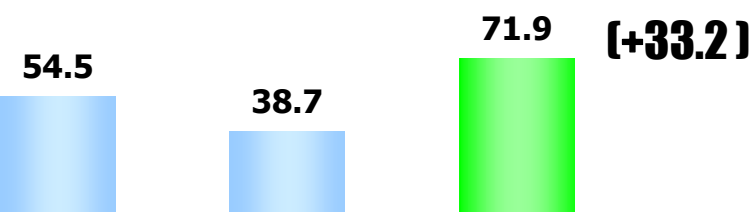
Net Sales 12 13 14



Higher operating income

Higher operating income reflected increased operating income in the Energy & Infrastructure, Community Solutions and Electronic Devices & Components segments.

Operating Income (Loss) 12 13 14

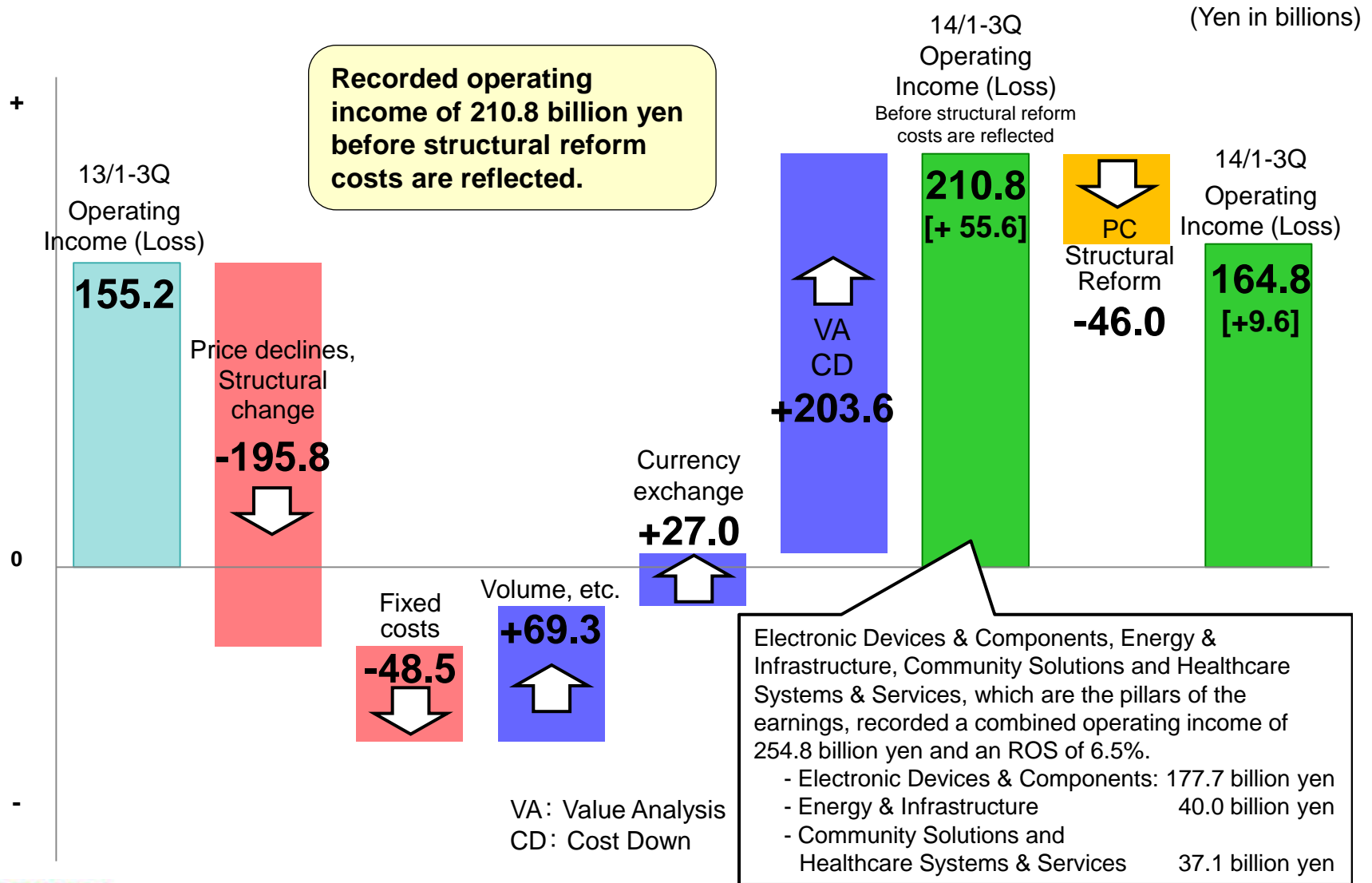


Higher net income

Net income increased, reflecting a settlement of a lawsuit and a positive effect of light asset management that has been promoted since the beginning of FY2014, in addition to higher operating income.

Net Income (Loss) 12 13 14

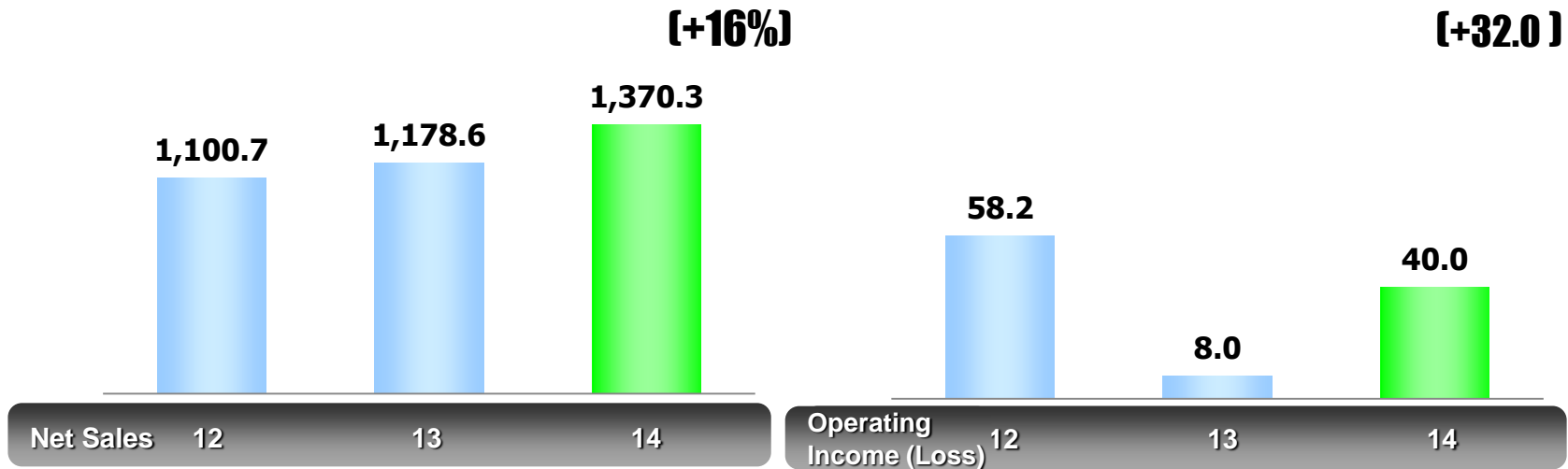
Operating Income (Loss) Analysis, FY2014 First 9 Months



Energy & Infrastructure, FY2014 First 9 Months

(Yen in billions)

[] = Year-on-year comparison



■ The segment as a whole saw sales increase by approx. 16% against the year-earlier period, reflecting higher sales in the Nuclear Power Systems and Thermal & Hydro Power Systems businesses both in Japan and overseas, as well as the continued good performances of the overseas Railway Systems business and Landis+Gyr.

■ Operating income increased significantly from the year-earlier period, as a result of significantly higher operating income in the overseas Nuclear Power Systems business, and the continued good performances of the overseas Railway Systems business and Landis+Gyr.

Energy & Infrastructure: Main Projects in 3Q

■ Major Topics (● Overseas ■ Japan)

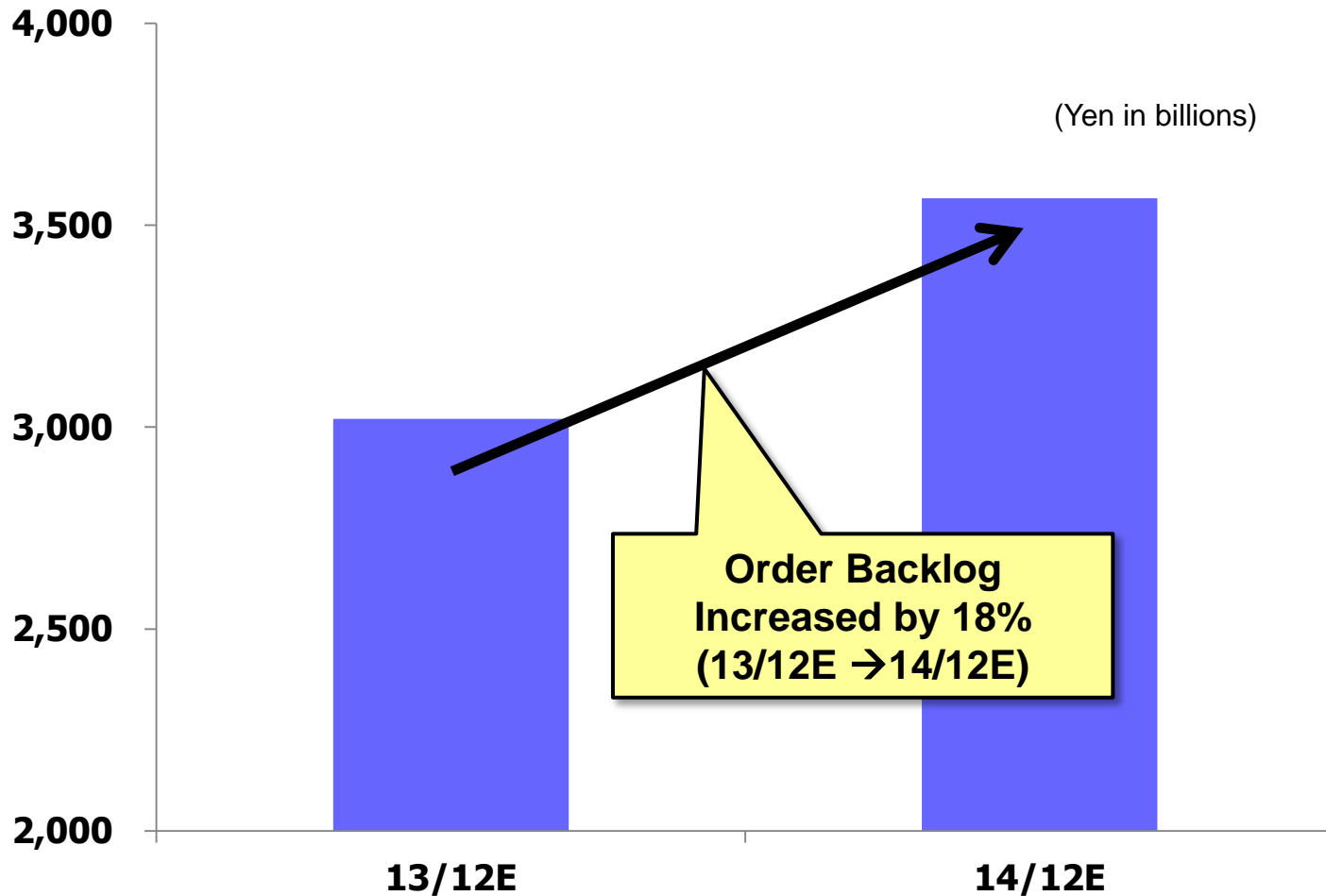
- Decided to merge the turbine and generator business in North America into a new company in order to secure synergies of the Thermal & Hydro and Nuclear Power Systems businesses and thereby reinforce the overall power systems business
- Decided to build a new production line in an Indian subsidiary that manufactures power transformers, distribution transformers and switchgears
- Established an organization, which will serve as a regional center offering one-stop solutions, to reinforce the social infrastructure and other businesses throughout South America
- Reached an agreement with Kawasaki City on a cooperative demonstration experiment of an independent energy supply system utilizing renewable energy and hydrogen
- Started demonstration research of ocean current power generation system

■ Orders received (● Overseas ■ Japan)

- Awarded multiple contracts in countries, including France, Ukraine, Finland, Germany, etc., to provide nuclear fuel for nuclear reactors
- Awarded a contract to provide a passive hydrogen control system for Zaporizhia Nuclear Power Plant in Ukraine
- Won an order for a weather radar system from the India Meteorological Department (IMD)
- Supplied a traction energy storage system to Tobu Railway Co., Ltd.

Energy & Infrastructure Business, Order Backlog

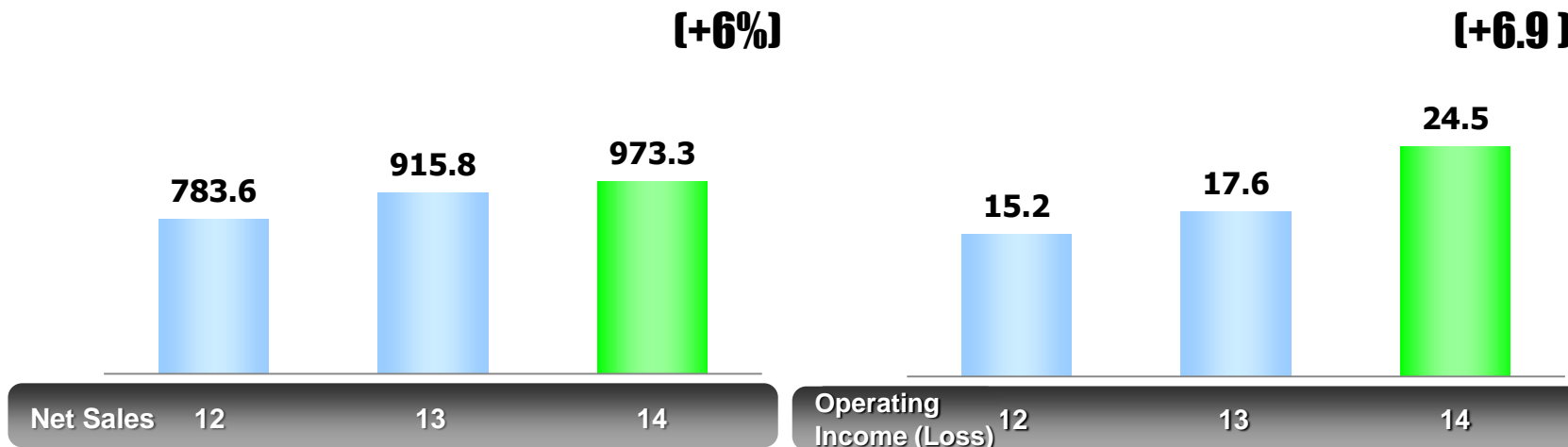
* Power Systems Company and Transmission & Distribution Systems Business
(Solar Photovoltaic Systems are excluded.)



Community Solutions, FY2014 First 9 Months

(Yen in billions)

[] = Year-on-year comparison



■ The segment as a whole saw higher sales YoY, reflecting good performance in China and other overseas markets in building solutions, including the Elevator and Commercial Air-Conditioners business.

■ The segment as a whole saw higher operating income YoY, reflecting higher operating income on higher sales in building solutions, including the Elevator and Commercial Air-Conditioners business.

Community Solutions: Main Projects in 3Q

■ Major Topics (● Overseas ■ Japan)

- Entered into an agreement with U.S.-based United Technologies Corporation (UTC) to strengthen the strategic collaboration on the Commercial Air-Conditioners business
- Opened Toshiba Smart Home at Fuchu Complex to carry out demonstration experiments and to offer visitors a hands-on experience of Toshiba's comprehensive home solutions line-up
- Joined the power generation project using digestion gas conducted at the Okinawa Ginowan Water Purification Center
- Awarded 2014 Chairperson's Award by the Eco-Products Awards Steering Committee for an environmentally friendly lighting system designed for cultural assets
- Awarded the Minister of the Environment's 2014 Commendation for Global Warming Prevention Activity for a point-of-sale (POS) system using the IS-910T vertical image processing scanner

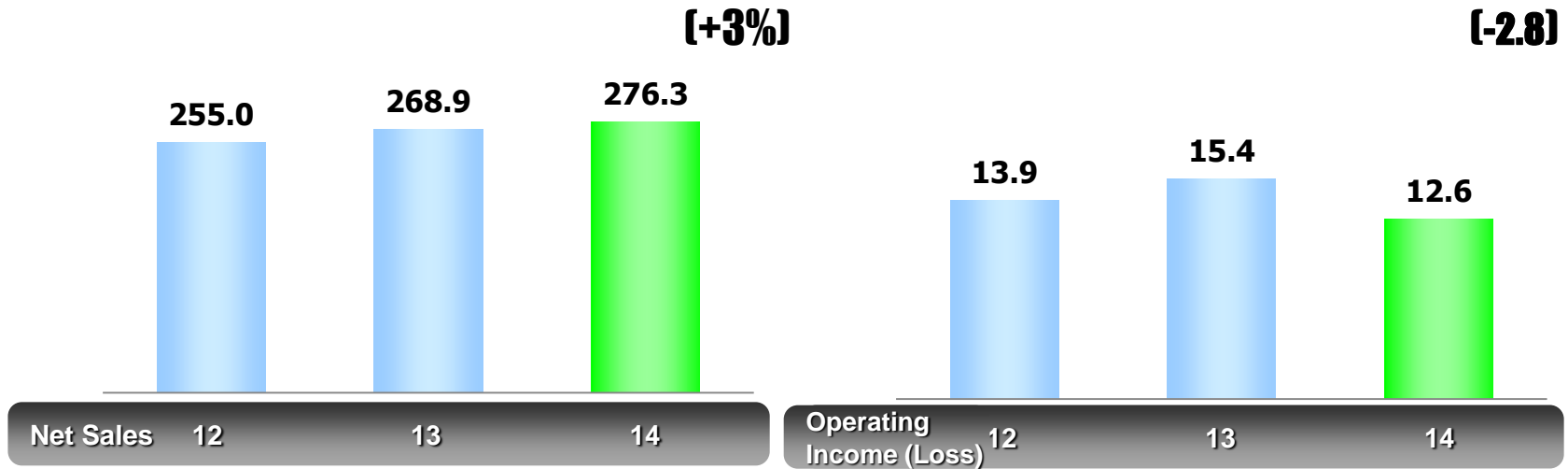
■ New products and orders received (● Overseas ■ Japan)

- Released new average-grade elevators designed for the Chinese market
- Launched Smart Receipt[®], an electronic receipt service
- Released emergency LED lighting apparatus having a self-test function

Healthcare Systems & Services, FY2014 First 9 Months

(Yen in billions)

[] = Year-on-year comparison



■ The segment as a whole saw higher sales YoY. Although a revision of the medical fee reimbursement system and an increase in the consumption tax in Japan impacted on sales, the Equipment Sales business in emerging economies remained solid and the Service business remained stable.

■ The segment as a whole saw lower operating income for the first 9 months due to an increase in R&D expenditures to develop next-generation systems. However, the segment saw higher operating income in 3Q because of good performance in the mainstay Computerized Tomography (CT) Systems business and an improvement in the Service business.

Healthcare Systems & Services: Main Projects in 3Q

■ Major Topics (◆ Diagnosis and Treatment ❖ New Business)

- ◆ ❖ Opened the Healthcare Technology Center to enhance R&D in the area of healthcare
- ❖ Jointly developed Japonica Array[®], a genotyping array optimized for ethnic Japanese, with Tohoku University, in order to accelerate the realization of personalized disease prevention and medical care
- ❖ Launched a genotyping service using Japonica Array[®]
- ◆ Opened the Elekta Care Support Center with Elekta K.K.
- ◆ Started production of diagnostic ultrasound systems at manufacturing base in Malaysia

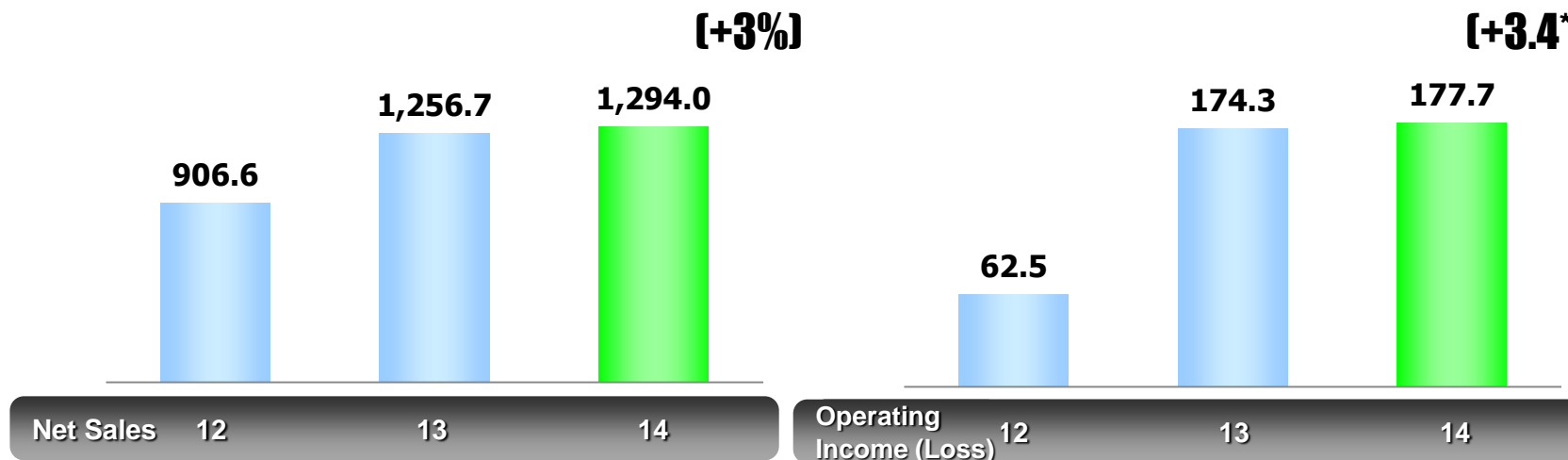
■ New products and orders received (◆ Diagnosis and Treatment ❖ New Business)

- ◆ Released Version 7.0 of the CT Aquilion ONE™ series, which enables dynamic analysis, even in higher-image quality and low-dose scanning
- ◆ Released the Saturn Gradient Option to the Vantage Titan™ 3T MRI system, which improves the performance of all features, including image quality, imaging time and flexibility
- ◆ Released the Platinum series of new clinical applications mounted on the Aplio™ series of ultrasonic diagnosis systems
- ❖ Released a software library for Silmee™ Bar type wearable vital signs sensor module

Electronic Devices & Components, FY2014 First 9 Months

(Yen in billions)

[] = Year-on-year comparison



■ The segment as a whole saw higher sales YoY. Sales of Memories remained solid, and, in the Storage Product business, sales of 3.5-inch HDDs and enterprise HDDs and SSDs increased.

■ The segment as a whole recorded the highest-ever operating income for the first nine-month period. Memories continued to achieve a high return on sales (ROS), and the Storage Product business maintained good performance. All non-memory businesses in the Semiconductor business also recorded positive operating income in 3Q, as in 2Q.

* The number includes the temporary influence by the change in depreciation schedule for FY2013. When the influence is excluded, the YoY increase of operating income is 12.8 billion yen.

Electronic Devices & Components: Main Projects in 3Q

■ Major Topics

- Settled a lawsuit with Korea's SK Hynix Inc. and agreed to expand collaboration in the memory business
- Released the TMPV760 series of image recognition processors for automotive applications that features enhanced night-time pedestrian detection, etc.

■ New products

- Actively released new products for storage and IoT*1 applications for sales expansion
 1. Storage
 - Released enterprise SSDs integrating A19nm NAND flash memories
 - Released a large-capacity 6-TB*2 nearline HDD
 - Released CANVIO DESK, an external HDD compliant with SeeQVault™
 2. IoT
 - Released power MOSFETs to support high-efficiency switching for server and communications base station applications
 - Released the ApP Lite™ TZ1000 series of application processors for wearable device applications
 - Released system power supply ICs for mobile information device applications

*1 IoT (Internet of Things): Interconnection of a very large number of devices, including not only information and communication devices but also a wide variety of devices as implied by the word "Things". IoT is expected to usher in automation in many fields such as remote control and automatic data transmission.

*2 TB: Terabyte (= 1,024 gigabytes = approx. 1 trillion bytes)

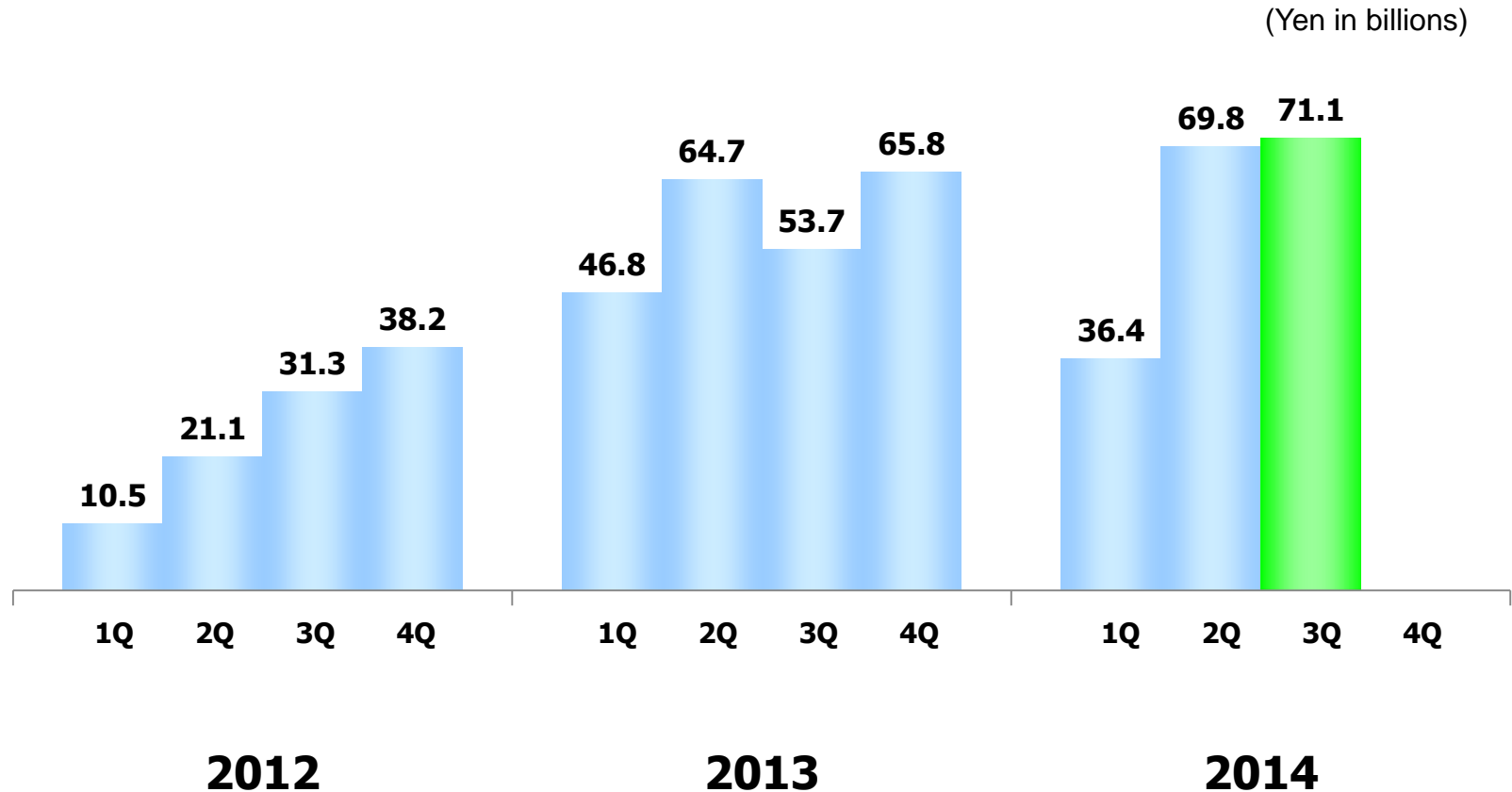
Semiconductor & Storage Products Business Results Breakdown

(Yen in billions)

Net Sales	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Discrete	113.1	114.3	-1.2
System LSI	129.9	153.1	-23.2
Memory	638.3	628.1	10.2
Semiconductor Total	881.3	895.5	-14.2
Storage Products	378.4	347.4	31.0

Operating Income (Loss)	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Semiconductor & Storage Products Total	177.3	165.2	12.1

Semiconductor & Storage Products Business Quarterly Trend in Operating Income (Loss)



Lifestyle Products & Services

■ Net Sales:

Sales of PCs and TVs decreased because of a shift in focus to redefined sales territories.

■ Operating Income (Loss):

The segment as a whole recorded a significant improvement of 21.4 billion yen in operating income YoY, when excluding PC structural reform costs of 46.0 billion yen. However, the segment saw negative operating income because of an increase in procurement costs, especially in the TV business, due to the depreciation of the yen, Euro and currencies of emerging economies against the US dollar. The PC business has recorded positive operating income for three consecutive quarters with the exclusion of the structural reform costs.

(Yen in billions)

Net Sales	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
PC	501.0	534.4	-33.4
TV	154.2	182.2	-28.0
Home Appliances	169.4	182.3	-12.9

Operating Income (Loss)	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Excluding Structural Reform Costs	-17.5	-38.9	21.4
Structural Reform Costs	-46.0	0.0	-46.0
Lifestyle Products & Services Total	-63.5	-38.9	-24.6

Operating Income (Loss) Excluding Structural Reform Costs of 46.0 billion yen	FY14 1-3Q	FY13 1-3Q	Difference vs. FY13/1-3Q
PC	2.3	-15.0	17.3
Lifestyle Products & Services Total	-17.5	-38.9	21.4

Restructuring of the Global TV Business

- **Responding to the severe business environment, Toshiba will undertake a fundamental restructuring of the Visual Products business, in addition to the ongoing structural reform.**
 - **In North America, Toshiba will cease TV development and sales operations, and Toshiba brand will be licensed to Taiwan's Compal Electronics, Inc. (Starting from March 2015)**
 - **For the consumer TV business in regions other than Japan, Toshiba is in negotiations with candidates on brand licensing to replace own development, manufacturing and sales. (Targeting agreement in April 2015)**

Non-Operating Income (Loss) and Expenses

(Yen in billions)

	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Net financial income (loss)	-13.7	-16.3	2.6
Foreign exchange income (loss)	30.9	17.1	13.8
Income (loss) on sales of fixed assets	-12.8	-3.5	-9.3
Equity in earnings of affiliates	11.4	8.9	2.5
Structural reform costs	-41.7	-15.5	-26.2
Others	-4.0	-52.5	* 48.5
Total	-29.9	-61.8	31.9

*Including the income of legal settlement with Korea's SK Hynix, and gain on sale of securities

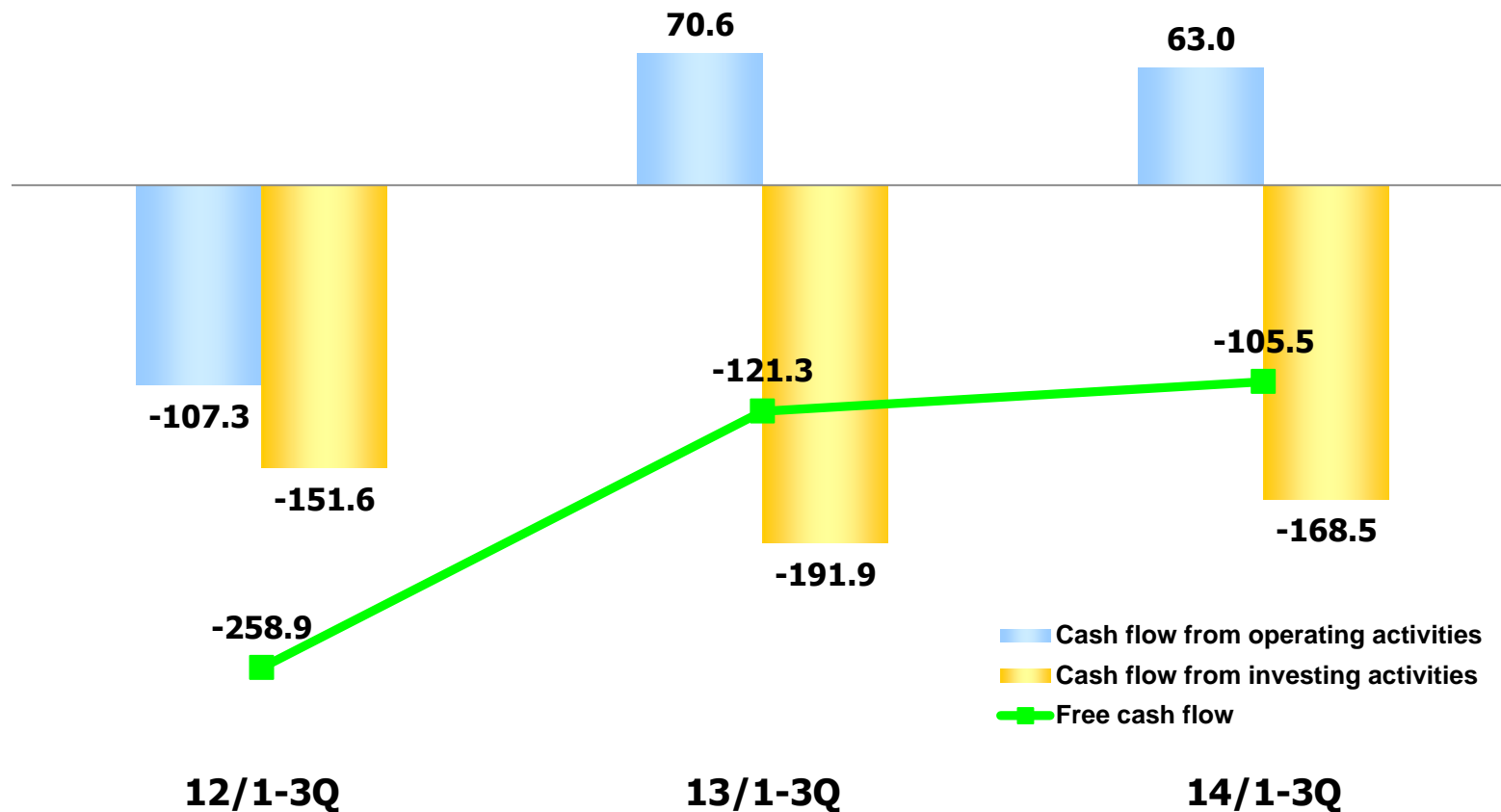
Income Tax and Net Income (Loss) Attributable to Noncontrolling Interests

(Yen in billions)

	FY14 1-3Q	FY13 1-3Q	Difference
			vs. FY13/1-3Q
Income (Loss) before income taxes and noncontrolling interests	134.9	93.4	41.5
Income tax	-54.0	-42.8	-11.2
Loss from discontinued operations	0.0	-2.4	2.4
Net Income (Loss) attributable to noncontrolling interests	-9.0	-9.5	0.5
Net Income (Loss)	71.9	38.7	33.2

Cash Flows, FY2014 First 9 Months

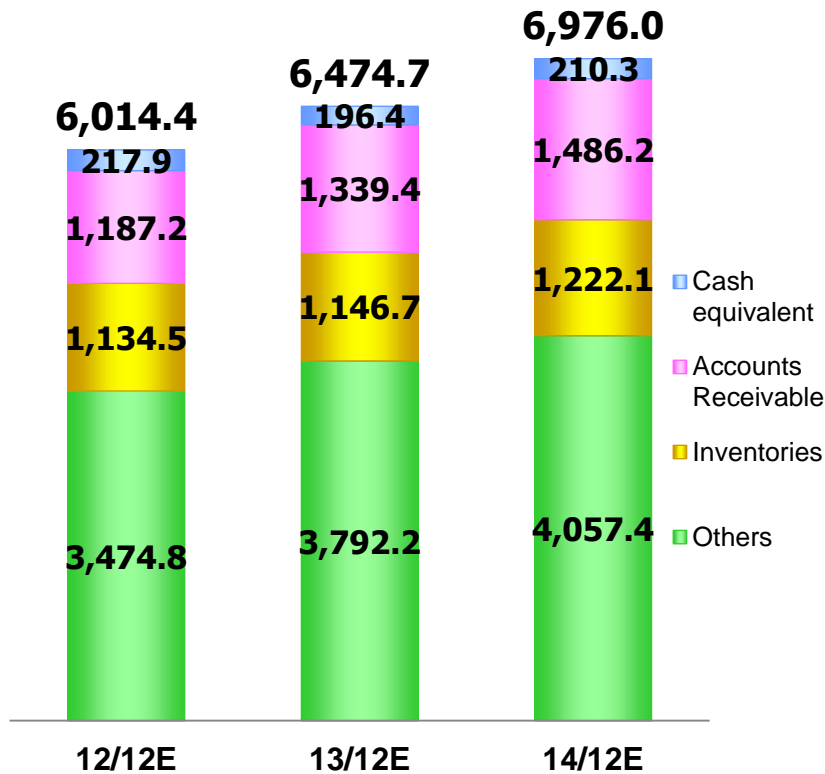
(Yen in billions)



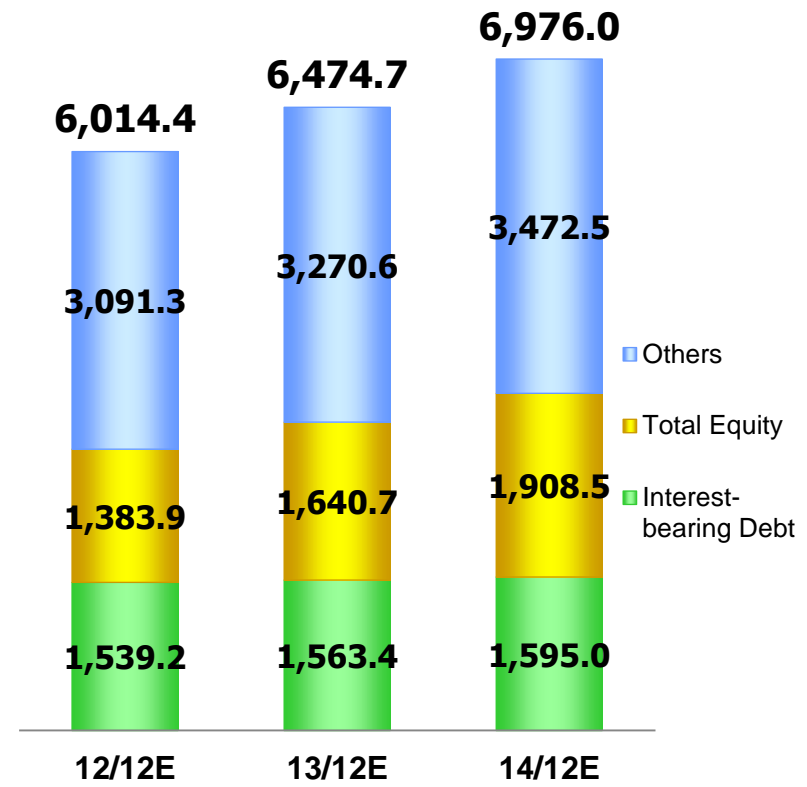
Consolidated Balance Sheets

(Yen in billions)

Assets



Liabilities and Equity



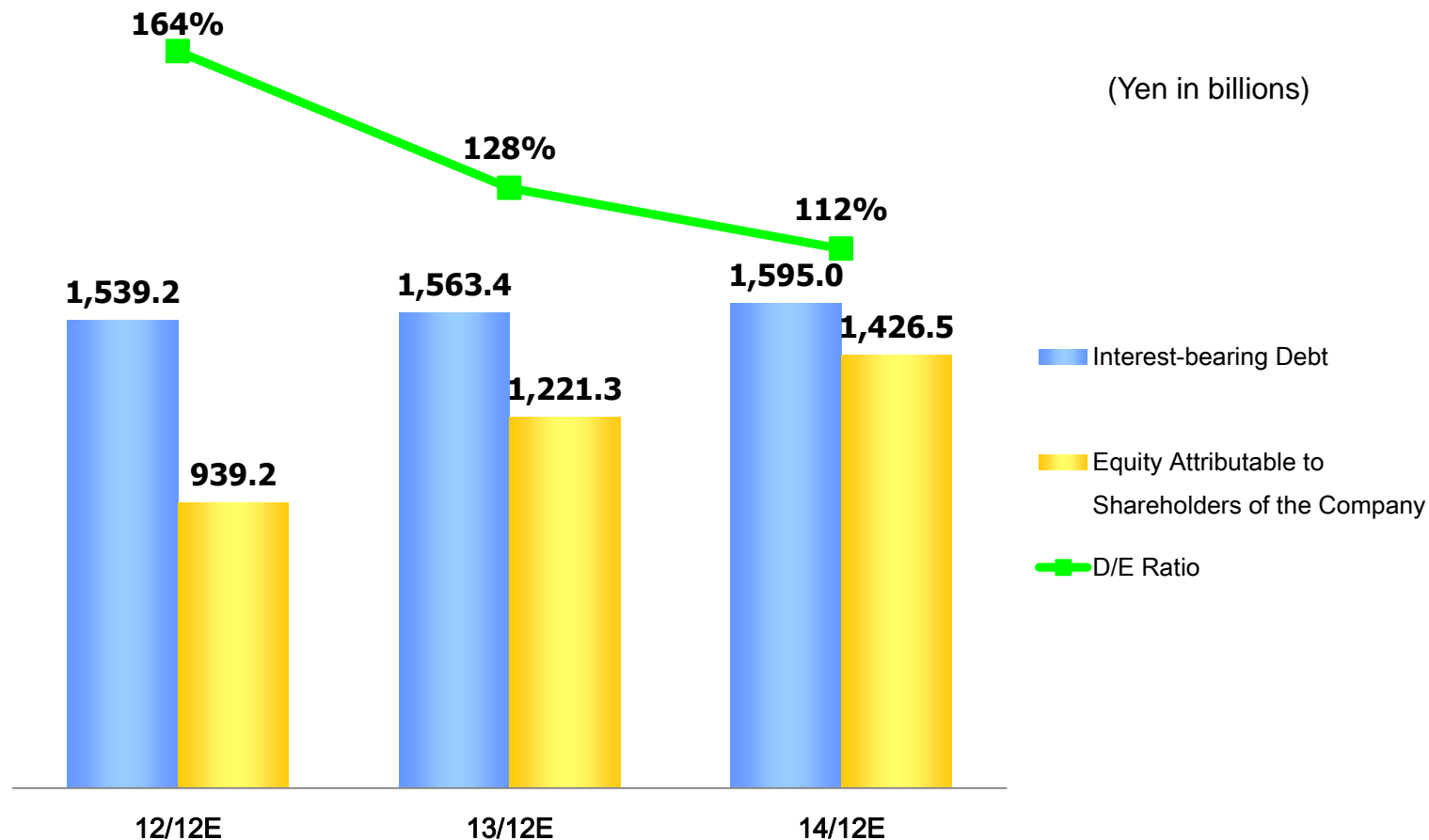
Total Equity

(Yen in billions)

	14/12E	14/3E	13/12E	Difference	
				vs. 14/3E	vs. 13/12E
Common Stock	439.9	439.9	439.9	0.0	0.0
Additional paid-in capital	404.1	404.6	404.6	-0.5	-0.5
Retained earnings	690.4	652.4	640.2	38.0	50.2
Accumulated other comprehensive income (loss)	-106.1	-266.1	-261.7	160.0	155.6
Treasury stock	-1.8	-1.7	-1.7	-0.1	-0.1
Equity attributable to shareholders of the Company	1,426.5	1,229.1	1,221.3	197.4	205.2
Equity attributable to noncontrolling interests	482.0	423.2	419.4	58.8	62.6
Total equity	1,908.5	1,652.3	1,640.7	256.2	267.8

Equity attributable to shareholders of the Company / Total asset ratio	20.4%	19.7%	18.9%	0.7%	1.5%
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D/E Ratio



FY2014 3Q Overall, Year-on-Year

(Yen in billions)

	FY14/3Q	FY13/3Q	Difference
			vs. FY13/3Q
Net Sales	1,607.8	1,531.3	76.5
Operating Income (Loss)	49.7	48.3	1.4
%	3.1%	3.2%	-0.1%
Income (Loss) before income taxes and noncontrolling interests	67.6	39.9	27.7
%	4.2%	2.6%	1.6%
Net Income (Loss)	41.1	17.2	23.9
%	2.6%	1.1%	1.5%

FY2014 3Q by Segment, Year-on-Year

(Yen in billions)

Net Sales	FY14/3Q	FY13/3Q	Difference
			vs. FY13/3Q
Energy & Infrastructure	454.5	395.5	59.0
Community Solutions	327.6	316.0	11.6
Healthcare Systems & Services	90.7	83.1	7.6
Electronic Devices & Components	461.1	404.1	57.0
Lifestyle Products & Services	304.2	356.8	-52.6
Others	119.2	110.7	8.5
Total	1,607.8	1,531.3	76.5

Operating Income (Loss)	FY14/3Q	FY13/3Q	Difference
			vs. FY13/3Q
Energy & Infrastructure	9.9	-7.6	17.5
%	2.2%	-1.9%	4.1%
Community Solutions	8.7	8.3	0.4
%	2.6%	2.6%	0.0%
Healthcare Systems & Services	6.1	4.8	1.3
%	6.7%	5.8%	0.9%
Electronic Devices & Components	71.0	56.9	14.1
%	15.4%	14.1%	1.3%
Lifestyle Products & Services	-34.2	-3.7	-30.5
%	-11.3%	-1.0%	-10.3%
Others	-0.3	-1.7	1.4
%	-0.3%	-1.7%	1.4%
Total	49.7	48.3	1.4
%	3.1%	3.2%	-0.1%

FY2014 Forecast, Overall

Toshiba Group's projections for FY2014 consolidated results remain unchanged from those announced on September 18, 2014.

(Yen in billions, except Earnings (Losses) per share)

	FY14 Forecast	FY13 Actual	Difference
			vs. FY13
Net Sales	6,700.0	6,502.5	197.5
Operating Income (Loss)	330.0	290.8	39.2
%	4.9%	4.5%	0.4%
Income (Loss) before income taxes and noncontrolling interests	250.0	180.9	69.1
%	3.7%	2.8%	0.9%
Net Income (Loss)	120.0	50.8	69.2
%	1.8%	0.8%	1.0%
Earnings (Losses) per share attributable to shareholders of the Company	¥28.34	¥12.00	¥16.34

FY2014 Forecasts by Segment

Toshiba Group's projections for FY2014 consolidated results by segment remain unchanged from those announced on September 18, 2014.

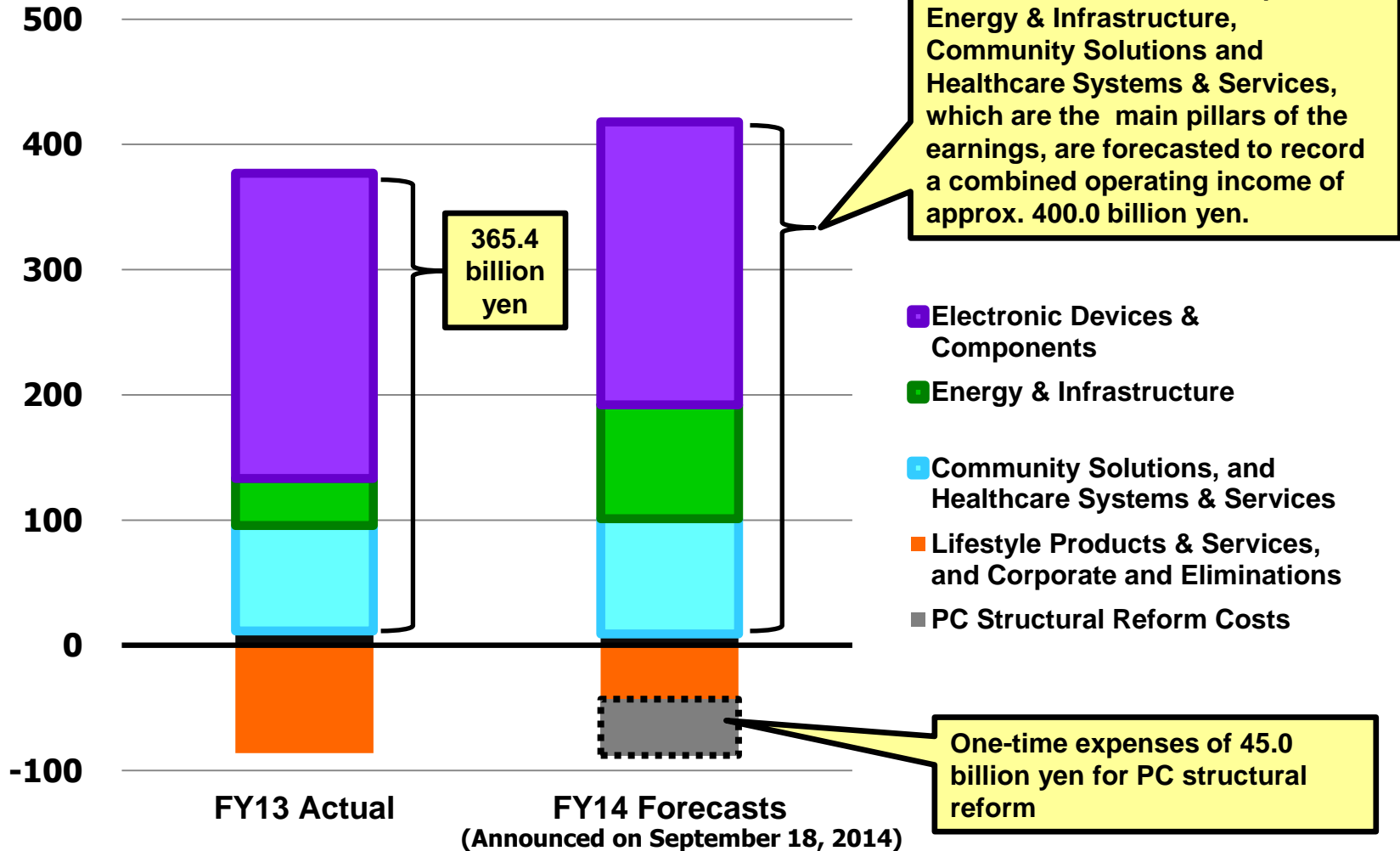
(Yen in billions)

Net Sales	FY14 Forecast	FY13 Actual	Difference
			vs. FY13
Energy & Infrastructure	1,990.0	1,812.2	177.8
Community Solutions	1,410.0	1,357.4	52.6
Healthcare Systems & Services	440.0	410.8	29.2
Electronic Devices & Components	1,730.0	1,693.4	36.6
Lifestyle Products & Services	1,200.0	1,313.8	-113.8
Others	550.0	504.0	46.0
Total	6,700.0	6,502.5	197.5

Operating Income (Loss)	FY14 Forecast	FY13 Actual	Difference
			vs. FY13
Energy & Infrastructure	91.0	37.6	53.4
%	4.6%	2.1%	2.5%
Community Solutions	61.0	54.1	6.9
%	4.3%	4.0%	0.3%
Healthcare Systems & Services	31.0	30.0	1.0
%	7.0%	7.3%	-0.3%
Electronic Devices & Components	226.0	243.7	-17.7
%	13.1%	14.4%	-1.3%
Lifestyle Products & Services	-48.0	-47.6	-0.4
%	-4.0%	-3.6%	-0.4%
Others	9.0	11.5	-2.5
%	1.6%	2.3%	-0.7%
Total	330.0	290.8	39.2
%	4.9%	4.5%	0.4%

FY2014 Forecasts, Operating Income Breakdown

(Yen in billions)



Voluntary Adoption of IFRS

- Toshiba Group will voluntarily adopt International Financial Reporting Standards (IFRS), starting in the fiscal year ending March 31, 2017.

Disclosure Schedule (Planned)

Fiscal Year		Disclosure Materials	Accounting Standards
Fiscal Year ending March 31, 2017	1 st , 2 nd and 3 rd quarter	Quarterly earnings release Quarterly securities report	U.S. GAAP
	Year end	Earnings release Financial documents under Company Act Annual securities report	IFRS

- Towards achieving its management vision of “Growth through Creativity and Innovation,” Toshiba Group is promoting measures to strengthen financial governance, including securing a healthy financial base as basic policy, promoting Group-wide common rules, and centralizing financial data.

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