Note: This English translation of Reports for the 169th Fiscal Period (Business Report, Consolidated Financial Statements, Financial Statements and Audit Reports) is for English readers' convenience only. If there are any differences between this translation and the Japanese original, the Japanese original supersedes this translation. This English translation has not been audited by the accounting auditor or the audit committee.

Reports for the 169th Fiscal Period

Toshiba Corporation

Business Report

April 1, 2007
through March 31,
2008

1. Business Environment and Results of the Group

(1) Operation and Results of the Group

The Japanese economy continued to expand during the first half of FY2007, mainly on increased capital expenditure. The economy faced difficulties in the second half, as the subprime mortgage crisis impacted on the US economy and the continuing rise in crude oil prices cast darkening shadows over corporate profitability.
Overseas, the US economy slowed due to the subprime mortage crisis in the second half of FY2007, and the pace of economic expansion in the Europe slowed as well. Asia, including China, continued to see economic expansion.
In these circumstances, Toshiba posted higher consolidated sales, reflecting proactive managements, including strategic allocation of resources grounded in the Group strategy of achieving sustained growth with profit. Toshiba's overall consolidated sales for the full-year term were 7,668.1 billion yen, an increase of 551.7 billion yen. Consolidated operating income declined by 20.3 billion yen to 238.1 billion yen. Social Infrastructure recorded substantially increased operating income, while Electronic Devices saw significantly lower operating income. Income before income taxes and minority interest decreased by 42.9 billion yen to 255.6 billion yen, a figure primarily reflecting the costs incurred in the withdrawal from the HD DVD business and the impact of changes in estimate of salvage value of property, plant and equipment (P.P.E.), in spite of the gain from the sale of the Ginza Toshiba Building. Net income decreased by 10.0 billion yen to 127.4 billion yen.
Consolidated overseas sales increased by 445.9 billion yen from the year earlier to 3962.9 billion yen. Overseas sales exceeded domestic sales, with the overseas sales ratio reaching 52%, up 3 percentage points from the year earlier.

(Notes)

1. The Company states the matters concerning the business results of the Group based on the consolidated financial statements in accordance with the provisions of Article 120, Paragraph 2 of the Company Law Enforcement Regulations.
2. The consolidated financial statements of the Company have been prepared based on generally accepted accounting principles in the U.S. pursuant to Article 148, Paragraph 1 of the Regulations for Corporate Accounting. The consolidated segment information has been prepared based on Article 15-2 of the Regulations for

Consolidated Financial Statements instead of Statement of Financial Accounting Standards ("SFAS") No. 131.

3. Operating income (loss) is calculated deducting cost of goods sold, sales costs and general and administrative costs from revenue according to the accounting practice in Japan to make competitive results comparison available. Items classified as operating income (loss) under the US GAAP, such as business restructuring costs and income (loss) of sale or disposal of property, plant and equipment are presented as non-operating income (loss). In the FY2007 accounts, those items apply to costs incurred from the HD DVD business withdrawal, the sale of Ginza Toshiba Building, and the change in the depreciation method for structures under review of depreciation.

Performance by Segment **(billions of yen)**

Segment	Consolidated Net Sales	Change	Consolidated Operating Income	Change
Digital Products	2,951.2	＋145.7	15.0	△0.8
Electronic Devices	1,738.5	＋81.2	74.1	△45.6
Social Infrastructure	2,419.0	＋351.3	131.3	＋34.5
Home Appliances	774.3	＋25.4	3.9	△5.8
Others	384.6	△7.0	14.7	△4.0
Eliminations	△599.5	△44.9	△0.9	＋1.4
Total	**7,668.1**	**＋551.7**	**238.1**	**△20.3**

Digital Products

Consolidated sales of Digital Products rose by 145.7 billion yen to 2,951.2 billion yen. The PC business saw sales growth on increased sales worldwide, and the Digital Media business also saw higher sales in TVs. Sales in the mobile phone business were flat, while the Retail Information Systems and Office Equipment business saw lower sales.

The segment's consolidated operating income decreased by 0.8 billion yen, resulting in a profit of 15.0 billion yen. The PC business recorded a significant increase in operating income on the strength of higher sales, and the Retail Information Systems and Office Equipment business also increased operating income, the result of focusing sales on high-value added products. The overall Digital Media business, however, recorded a significantly lower performance, reflecting costs incurred in the withdrawal from the HD DVD business.

Toshiba sold all of its shares in IPS Alpha Technology, Ltd., a manufacturing joint venture for large-size LCD displays, to Matsushita Electric Industrial Co., Ltd.

Concerning the withdrawal from HD DVD business

In response to the major changes observed in the business environment since the beginning of 2008, the Company decided to withdraw from the HD DVD business after conducting an overall assessment of the future business strategy. Considering the coexistence of two different next-generation DVD formats an impact on our business, on the market, and most importantly on consumers, the Company reached a conclusion that it was imperative to make a clear announcement of our policy at an early stage. The Company will, however, continue to provide full after-sales services to ensure the customers who have already purchased our products can continue using our products without problem.

Toshiba will continue to lead innovation, in a wide range of technologies that will drive mass market access to high definition content. These include NAND flash memory, hard disk drives, visual processing and other technologies. The Company expects to make strategic progress in these convergence technologies.

Electronic Devices

The Semiconductor business saw sales increase, mainly in NAND flash memory. Sales in the Devices and Components business remained flat. The LCD business saw sales decline on sluggish sales of LCDs for mobile applications and a decline in sales prices. Overall consolidated segment sales increased by 81.2 billion yen to 1,738.5 billion yen.

Consolidated operating income for the segment was 74.1 billion yen, a decrease of 45.6 billion yen. Both the Semiconductor business and the LCD business saw significantly lower operating income, the result of declining sales prices.

Toshiba agreed to establish a joint venture for the production of high-performance semiconductors with Sony Corporation and Sony Computer Entertainment Inc. and acquired fabrication facilities mainly from Sony Corporation for the joint venture use.

Memory production capacity expansion

The Company decided to construct two buildings for semiconductor production in Yokkaichi and in Kitakami at the same time so that the Company could prepare for quick start of mass production of next-generation memory as well as could timely respond to prospective rapid increase of demand of NAND flash memory due to expanding its application. In connection with this move, the Company entered into agreement with SanDisk Corp. in the United States to jointly develop the production equipments in one of the buildings and establish a joint venture.

Social Infrastructure

Consolidated sales in the Social Infrastructure segment increased by 351.3 billion yen to 2,419.0 billion yen. The Power Systems business saw solid sales of thermal power plant and equipment, and electric power transmission and distribution systems, mainly in overseas markets, and sales were also boosted by the consolidation of Westinghouse into the Group. The Industrial Systems business also recorded increased sales, on a good performance in transportation systems. Sales in the Medical Systems business rose against the previous year, on higher sales in overseas markets. The IT Solutions business and the Elevator business also saw increased sales. In the Social Infrastructure Systems business, sales were lower as TV broadcasting companies completed their initial round of capital investment in digital broadcasting.

Consolidated operating income in the segment was 131.3 billion yen, an improvement of 34.5 billion yen. While the Social Infrastructure Systems business saw lower results, the Power Systems business and the Industrial Systems business posted solid performances. The Medical Systems business and IT Solutions business continued to see the same levels of high profitability as in the previous period, and the Elevator business also recorded a good performance.

Effective April 2008, Power Systems Company and Industrial Systems Company were partly reorganized, and Industrial Systems Company was renamed as Transmission Distribution & Industrial Systems Company.

Reinforcement of nuclear power business

Across many countries and regions in the world, there is renewed global interest in nuclear energy, driven by concerns to secure stable electric power supplies, and to prevent global warming. To capitalize on this opportunity and to further build on and strengthen its leadership position in the nuclear power generation market, the Company acquired the Westinghouse Group in October 2006. In the Kazakhstan Republic, the Company acquired the right to purchase uranium from the country as well as transferred to Kazatomprom of that country part of its ownership interests in the holding companies of Westinghouse Group to reinforce a strategic alliance with Kazatomprom. Furthermore, the Company is accelerating the development of its global nuclear power business. For that purpose, the Company entered into a basic agreement with a Russian state-owned company to start feasibility study of collaboration. Also, the Company decided to make an investment in a company devoted to the promotion of development of ABWR (advanced boiling water reactor nuclear power plants) in the United States, and establishing its own local subsidiary for the nuclear power business.

Capitalizing on its strength having both BWR and PWR, the Company will push forward the construction and maintenance of nuclear power plants and related services and aggressively pursue expansion of its business as the nuclear leading company in the global market.

Home Appliances

Consolidated sales of Home Appliances increased by 25.4 billion yen to 774.3 billion yen, on higher sales of air conditioners, refrigerators and washing machines, mainly in overseas markets.

Consolidated segment operating income declined by 5.8 billion yen to 3.9 billion yen, largely as the result of amendment of the Building Standards Law, declines in prices for white goods and industrial lighting, and increased costs involved in restructuring domestic manufacturing bases.

In relation to the business structure, the Company reorganized its Group companies in the Home Appliances segment in April 2008 to promote prompt business operations and enhance their efficiency.

Others

Consolidated net sales of Others decreased by 7.0 billion yen from the previous year to 384.6 billion yen, and consolidated operation income also decreased by 4.0 billion from the year earlier to 14.7 billion yen.

The Company sold its entire interest in Toshiba-EMI Limited and part of its interest in Toshiba Machine Co., Ltd.

The sale of Ginza Toshiba Building

After through evaluations on how to utilize the Ginza Toshiba Building owned by a subsidiary, the Company reached a conclusion that, in terms of the “concentration and selection” of businesses, investment of the proceeds from the sale of the building in growing business would lead to raise the corporate value of the Company and therefore sold the building in October 2007.

(2) Fund-raising of the Group

Capital expenditures were primarily financed by internal funds and borrowings.

(3) Capital expenditure of the Group

Segment	Capital Expenditures

	(Commitment Basis)
	(Billions of yen)
Digital Products	48.3
Electronic Devices	436.5
Social Infrastructure	86.6
Home Appliances	30.7
Others	16.8
Total	618.9

	Segment	Outline of Facilities
Major facilities acquired during the term	Electronic Devices	• System LSI manufacturing facilities (acquired from Sony Corporation, etc.)
Major facilities completed during the term	Electronic Devices	• Leading-edge system LSI production facilities (Oita Operations) • Manufacturing building equipment and power equipment for NAND flash memory (Yokkaichi Operations) • Manufacturing facilities for discrete semiconductors (Kaga Toshiba Electronics Corporation)
Major facilities ordered during the term	Electronic Devices	• Leading-edge system LSI production facilities (Oita Operations) • Manufacturing building equipment and power equipment for NAND flash memory (Yokkaichi Operations)
	Social Infrastructure	• Building for nuclear power equipment development and design (Isogo Nuclear Engineering Center) • New-type rechargeable battery manufacturing facilities (Saku Sub-Operations)

Capital expenditures were made primarily in the rapidly growing semiconductor business. The above capital expenditure amount includes 181.5 billion yen, representing the Group's portion in the investments made by Flash Alliance, Ltd. etc., which are companies accounted for by the equity method.

(4) Research and development of the Group

The following are the principle achievements of research and development activities conducted during the period under review.

During the period under review, in connection with annual Energy Saving Award, home-use air conditioners of the Company won the Director-General's Prize of the Agency for Natural Resources and Energy, and electric bulb type fluorescent lamps, high-efficiency LED downlights, and heat pump hot water supply systems for industrial use won the Chairman's Prize of the Energy Conservation Center.

An CT system which can capture three-dimensional images of organs in a short time commercialized (Social Infrastructure Segment)

A CT system, which can capture three-dimensional images of organs such as the brain, heart, liver, and pancreas in one single rotation of the detector, and capture the movements of organs with multiple rotations of the detector, was commercialized. By shortening the rotation time to a minimum of 0.35 seconds per rotation, radiation exposure to patients and their burden are reduced.

NAND flash memory using 43-nanometer processing technology commercialized (Electronic Devices Segment)

43-nanometer (one billionth of a meter) generation NAND flash memory was commercialized, reducing its chip dimensions by 30% compared to the products of equal capacity belong to the 56-nanometer generation and improving its cost competitiveness through miniaturization and redesigning,. The Company will continue to maintain supply capacity to meet the market demand and cost competitiveness by aggressively pursuing the development of miniaturization and increasing bit capacity, and the enhancement of production efficiency.

Highly safe and quickly rechargeable innovative battery commercialized (Social Infrastructure Segment)

A new type rechargeable battery with high safety, fast charge, and longevity was commercialized. By developing and adopting high-safety materials, the risk of battery explosion and fire is reduced. The battery, which can be recharged in five minutes up to more than 90% of full capacity, has an excellent longevity capable of repeating the charge and discharge cycle more than 5,000 times. By improving its performance, the Company will work toward its use in industrial fields and hybrid cars and other car related applications.

LCD televisions with enhanced connectivity with AV equipment commercialized (Digital Products Segment)

LCD televisions with enhanced connectivity with a notebook PC, and DVD recorder and other AV equipment were commercialized. By connecting LCD televisions "REGZA" with AV notebook PC "Qosmio", video, music, and pictures recorded on hard disk drives of PC can be easily played back on TV screens, using one single remote control. Also, for the first time as consumer-use digital high-definition televisions, it became possible to connect to and record content on USB (standards for connecting peripherals) compatible external hard disk drives, making high-definition recording easier.

Home-use air conditioners with the highest levels of energy-saving features in the industry commercialized (Home Appliances Segment)

Supported by newly developed compressor and inverter technology, home-use air conditioners with the highest levels of energy-saving features in the industry were commercialized, achieving a 34% reduction in the periodic power consumption compared to the equivalent models of the Company ten years ago.

The “W Mihari Sensor” (W monitoring sensor) and the new air purifier “Plasma Ion Charger” with the highest levels of performance in the industry installed in the air conditioner will swiftly purifies room air. When operating in the “spot” mode under which air is set to flow into a fixed part of the room, energy-saving operation with a maximum saving of 30% is achieved by automatic adjustment of the present temperature and the volume of air flow, while maintaining the same sensible temperature.

(5) Issues to be addressed

The Group formerly positioned achievement of sustained growth with profit, the multiplier effect of innovation, and implementation of CSR management as the three pillars of corporate management. The Group has now declared developing people with a global perspective as the fourth pillar, and is accelerating the globalization of business activities.

Achieve sustained growth with profit

The Group’s business areas of Electronics and Energy face dramatic changes on a global scale on a day-to-day basis, along with fierce global competition. It is essential for the Group to analyze markets, to anticipate changes, and to accelerate the pace of business execution. The Group will survive competition and achieve sustained growth with profit by continually improving its capability to “respond to change, change to respond”, which means making all required responses to changes quickly and decisively. Towards this, the Group carries out proactive management by strategically allocating resources to growth businesses, and is tackling the challenges involved in reinforcing the digital products businesses, including enhanced collaboration with the semiconductor business, to establish it as the third pillar of business alongside the Electronic Device and Social Infrastructure segments. Toward realizing high growth, the Group will promote a review of the marketing and sales structure for consumers, and reinforce the marketing structure, including securing staff increases in overseas markets. The Group will also promote new businesses, such as LED lighting and wireless IC tags.

Maximize multiplier effect of innovations

The Group is building a corporate culture that generates continuous innovations that ripple through other processes to maximize the multiplier effect of innovations. It is systematizing innovation and sharing successful cases of innovation across the Group. In addition, the Group is promoting work-style innovation as a means to cultivate an environment that encourages innovation by promoting a work-life balance that enables employees to effectively carry our their work responsibilities at a high level of concentration, and to have time for self-development.

Exercise CSR Management

In order to achieve sustainable growth and Group development, it is essential to accept corporate social responsibility (CSR) and to retain the trust and acceptance of society by engaging in socially beneficial activities in the countries and regions where the Group operates. The Group will further make efforts to implement its basic policy of prioritizing human life and safety and legal compliance in all of its business activities, and promote environmental management toward realization of a richer life in harmony with the Earth. The Group also respects diversity, including diversity in nationality and gender, as a Corporate Citizen of Planet Earth. By 2050, Toshiba aims to attain a 10 times improvement in its total eco-efficiency against the benchmark year of FY2000. To realize this goal, Toshiba will tackle the challenges of reducing the environmental impact associated with business activities, develop efficient energy supply equipment, and create environmentally-conscious products.

Develop People with a Global Perspective

In order to win against global competition and prosper in the global marketplace, Toshiba will develop people with a global perspective, who can create and encourage continuous innovation and embrace diversity and different cultures. Toward this goal, the company will promote education in innovation and programs that will train culturally-aware, well-rounded personnel who view the world, its different people and ways of thinking from a broad, inclusive perspective.

The Group has reconfirmed its missions of creating new social value and maintaining an appropriate level of profit, and will continue its efforts to stay and expand dynamic Toshiba Group toward profitable and sustainable growth. For this, we look forward to the continuing support of our shareholders.

2. Group Business Results and Asset Conditions for the Four-Year Period

(1) The Group (Consolidated)

Item	166th Period Fiscal Year 2004	167th Period Fiscal Year 2005	168th Period Fiscal Year 2006	169th Period Fiscal Year 2007
Net Sales (Billions of yen)	5,836.1	6,343.5	7,116.4	7,668.1
Net income (loss) (Billions of yen)	46.0	78.2	137.4	127.4
Net income (loss) per share (Yen)	14.32	24.32	42.76	39.46
Total Assets (Billions of yen)	4,571.4	4,727.1	5,932.0	5,935.6

(2) The Company (Non-consolidated)

Item	166th Period Fiscal Year 2004	167th Period Fiscal Year 2005	168th Period Fiscal Year 2006	169th Period Fiscal Year 2007
Sales (Billions of yen)	2,816.3	3,257.5	3,544.9	3,685.6
Net income (loss) (Billions of yen)	17.6	22.7	72.4	69.2
Net income (loss) per share (Yen)	5.47	7.06	22.52	21.43
Total Assets (Billions of Yen)	2,643.2	2,742.2	3,373.5	3,587.6

3. The Company's Policy on Decisions of Dividends etc.

The Company while giving full consideration to such factors as the strategic investments necessary to secure medium- to long-term growth, seeks to achieve continuous increases in its actual dividend payments, in line with a payout ratio in the region of 30 percent, on a consolidated basis.

The Company paid an interim dividend of ¥6.00 per share, and decided to pay a year-end dividend of ¥6.00 per share. As a result, the annual dividend for the full term will reach a record high of ¥12.0, up ¥1.0 from the previous term.

4. Outline of Main Group Companies As of March 31, 2008

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
Digital Products	Toshiba TEC Corporation	39,971 (Millions of yen)	52.5	Development, design, manufacture, retail, and maintenance of information systems, image information and communication systems, and others.	Shinagawa-ku, Tokyo
	Toshiba America Business Solutions, Inc.	307,673 (Thousands of U.S. dollars)	100.0	Manufacture and sales of image information and communication systems in the U.S.	U.S.
Electronic Devices	Toshiba Matsushita Display Technology Co., Ltd.	10,000 (Millions of yen)	60.0	Development, design, manufacture and sales of liquid crystal displays	Minato-ku, Tokyo

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
	AFPD Pte., Ltd.	472,584 (Thousands of Singapore dollars)	100.0	Manufacture of liquid crystal displays	Singapore
Social Infrastructure	Toshiba Plant Systems & Services Corporation	11,876 (Millions of yen)	61.6	Engineering, construction, trial operation, alignment, maintenance and service of power systems, nuclear systems, and infrastructure & industrial systems.	Ota-ku, Tokyo
	Toshiba Elevator and Building Systems Corporation	21,408 (Millions of yen)	80.0	Development, design, manufacture, sales, installation, maintenance and repair of elevators and escalators, and integrated monitoring and control of building-related facilities.	Shinagawa-ku, Tokyo

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
	Toshiba Solutions Corporation	20,000 (Millions of yen)	100.0	Consultation, development, design, sales and maintenance of IT solutions. Related engineering, work and provision of outsourcing services.	Minato-ku, Tokyo
	Toshiba Medical Systems Corporation	14,700 (Millions of yen)	100.0	Development, design, manufacture, sales and maintenance of medical equipment and medical information systems.	Otawara
	Toshiba Nuclear Energy Holdings (US) Inc.	4,000,000 (Thousands of U.S. dollars)	67.0	Holding company of nuclear power business	US

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
	Toshiba Nuclear Energy Holdings (UK) Ltd.	1,400,000 (Thousands of U.S. dollars)	67.0	Holding company of nuclear power business	UK
	Toshiba America Medical Systems, Inc.	352,250 (Thousands of U.S. dollars)	100.0	Sales and maintenance of medical equipments and medical information systems in the U.S.	U.S.
Home Appliances	Toshiba Consumer Marketing Corporation	14,500 (Millions of yen)	100.0	Business planning and sales of home appliances. Sales of audio & visual equipment and information equipment.	Chiyoda-ku, Tokyo
Others	Toshiba Capital Corporation	100 (Millions of yen)	100.0	Loans and other financial support activities for Group companies in Japan	Minato-ku, Tokyo

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
	Toshiba America, Inc.	840,050 (Thousands of U.S. dollars)	100.0	Holding company of operating companies in the U.S.	U.S.
	Toshiba International Finance (UK) Plc.	5,000 (Thousands of Sterling pounds)	100.0	Loans and other financial support activities for subsidiaries in Europe.	U.K.
	Toshiba Capital (Asia) Ltd.	4,000 (Thousands of Singapore dollars)	100.0	Loans and other financial support activities for subsidiaries in Asia and Oceania.	Singapore
	Taiwan Toshiba International Procurement Corporation	26,000 (Thousands of Taiwan dollars)	100.0	Procurement and export of personal computers and their parts	Taiwan

(Notes) 1. The Company has 550 consolidated subsidiaries (including the above 17 companies) in accordance with Generally Accepted Accounting Standards in the U.S., and 193 affiliated companies accounted for by the equity method. The main affiliated companies accounted for by the equity method are Ikegami Tsushinki Co., Ltd., Shibaura Mechatronics Corporation, Toshiba Machine Co., Ltd., and Topcon Corporation.

2. Toshiba Nuclear Energy Holdings (US) Inc. substantially owns all of the equity of Westinghouse Electric Company.
3. Effective in April 2008, Toshiba Consumer Marketing Corporation became a holding company controlling the Home Appliances Segment in conjunction with the reorganization of the Group companies in this business segment, and its trade name has been changed to Toshiba Consumer Electronics Holdings Corporation.

5. Shares and Stock Acquisition Rights of the Company As of March 31, 2008

(1) Total Number of Authorized Shares: 10,000,000,000

(2) Total Number of Issued Shares: 3,237,031,486

(3) Total Number of Shareholders: 375,115

(4) Principal Shareholders

Name of Shareholder	Number (in thousands)	Investment Ratio (Percentage)
The Master Trust Bank of Japan, Limited (trust accounts)	257,404	8.0
Japan Trustee Services Bank, Limited (trust accounts)	167,061	5.2
The Dai-ichi Mutual Life Insurance Company	115,159	3.6
Nippon Life Insurance Company	108,752	3.4
Japan Trustee Services Bank, Limited (trust accounts No. 4)	69,148	2.2
NIPPONKOA Insurance Company, Limited	51,308	1.6
Sumitomo Mitsui Banking Corporation	51,003	1.6
Mizuho Corporate Bank, Limited	50,900	1.6
JP Morgan Chase Bank, N.A, 380055	47,140	1.5
State Street Bank and Trust Company	46,772	1.5

(Note) No shareholder of the Company owns 10% or more of the issued shares.

(5) Voting Rights Held by the Following Category of Shareholders:

Category	Government and local public entities	Financial institutions	Securities companies	Other entities	Overseas entities and others		Individuals and others
					Other than individuals	individuals	
Percentage	% 0.0	43.0	1.0	4.1	24.6	0.0	27.3

(6) Stock Acquisition Rights:

Name of Stock Acquisition Rights	Number of Stock Acquisition Rights	Class and number of shares to be issued upon exercise of Stock Acquisition Rights	Issue price of stock acquisition rights
Stock Acquisition Rights Attached to Zero Coupon Convertible Bonds Due 2009 (Issued July 21, 2004)	4,143	70,579,216 shares of common stock	Free of charge
Stock Acquisition Rights Attached to Zero Coupon Convertible Bonds Due 2011 (Issued July 21, 2004)	9,531	175,848,708 shares of common stock	Free of charge

6. Main Lenders of the Group

As of March 31, 2008

Lender	Loans Outstanding (Billions of yen)
Sumitomo Mitsui Banking Corporation	130.6
Mizuho Corporate Bank, Limited	108.2
The Bank of Tokyo-Mitsubishi UFJ, Limited	74.3

7. Names, Responsibilities, etc. of the Company's Directors / Officers

As of March 31, 2008

(1) Director

		Responsibility	Representation or positions holding at other entities, etc.
Chairman of the Board and Director	Tadashi Okamura	Member of the Nomination Committee, Member of the Compensation Committee	Chairman of the Japan Chamber of Commerce and Industry, and Chairman of the Tokyo Chamber of Commerce and Industry
Director	Atsutoshi Nishida	Member of the Compensation Committee	
Director	Shigeo Koguchi		
Director	Yoshiaki Sato		
Director	Masao Niwano		
Director	Toshio Yonezawa		
Director	Fumio Muraoka		
Director	Kazuo Tanigawa		
Director	Sadazumi Ryu	Chairman of the Audit Committee	
Director	Toshiharu Kobayashi	Member of the Audit Committee	
Outside Director	Atsushi Shimizu	Chairman of the Nomination Committee, Member of the Audit Committee	Professor of Law School, Toin University of Yokohama, Governor, Tokyo Stock Exchange Regulation Attorney-at-law
Outside	Kiichiro	Chairman of the	Chairman of the Board of

Director	Furusawa	Compensation Committee, Member of the Audit Committee	Chuo Mitsui Trust Holdings, Inc.
Outside Director	Hiroshi Hirabayashi	Member of the Audit Committee, Member of the Compensation Committee	President, Japan-India Association
Outside Director	Takeshi Sasaki	Member of the Nomination Committee, Member of the Compensation Committee	Professor, the Department of Political Studies, the Faculty of Law, Gakushuin University President of the Association For Promoting Fair Elections President of National Land Afforestation Promotion Organization Chairman of Labo International Exchange Foundation

(Notes) 1. The four Directors, Messers. Kazuo Tanigawa, Toshiharu Kobayashi, Hiroshi Hirabayashi, and Takeshi Sasaki were newly elected at the Ordinary General Meeting of Shareholders for the 168th fiscal period held on June 25, 2007 and assumed office.

2. Chairman of the Audit Committee, Mr. Sadazumi Ryu and Member of the Audit Committee, Mr. Kiichiro Furusawa have long taken charge of accounting work and finance work, respectively, and have considerable knowledge about financial affairs and accounting.

(2) Outside Director

i. Positions Concurrently Held at Other Companies as Representative or Outside Director/Auditor

Name	Name of Company	Positions
Atsushi Shimizu	East Nippon Expressway Company Limited.	Outside Auditor
Kiichiro Furusawa	Chuo Mitsui Trust Holdings, Inc.	Representative Director and Chairman of the Board
	Asagami Corporation	Outside Director
	Fujifilm Holdings Corporation	Outside Auditor
Hiroshi Hirabayashi	Mitsui & Co., Ltd.	Outside Director
Takeshi Sasaki	ORIX Corporation	Outside Director
	East Japan Railway Company	Outside Director

(Note) The Company has an ongoing business relationship with the Chuo Mitsui Trust Group composed of Chuo Mitsui Trust Holdings, Inc. and its subsidiaries. The Chuo Mitsui Trust Financial Group also owns a portion of the Company's shares.

Mitsui Trust Holdings, Inc. changed its trade name to Chuo Mitsui Trust Holdings, Inc., effective on October 2007.

ii . Main Activities

In the year under review, the Board of Directors met 14 times, and the Audit Committee 13 times, where the Outside Directors commented as necessary. The Outside Directors received explanations about the matters to be resolved at the board meetings from the staff in charge, etc. in advance. They also attended the monthly liaison conferences of Executive Officers in an effort to communicate and share information with the Executive Officers.

The Outside Directors who were members of the Audit Committee were supported by the full-time staff of the Audit Committee Office. The Outside Directors who were members of the Nomination Committee or the Compensation Committee were supported by the staff in charge, etc.

Name	Activities
Atsushi Shimizu	Attended the meeting of the Board of Directors 13 times and that of the Audit Committee 12 times. Commented as necessary based on rich experience and knowledge as a specialist in law.
Kiichiro Furusawa	Attended the meeting of the Board of Directors 12 times and that of the Audit Committee 12 times. Commented as necessary based on

	rich experience and knowledge as a specialist in finance and management.
Hiroshi Hirabayashi	Attended the meeting of the Board of Directors 12 times and that of the Audit Committee 9 times since his assumption of office in June 2007. Commented as necessary based on rich experience and knowledge as an ex-diplomat including audits of diplomatic offices overseas.
Takeshi Sasaki	Attended the meeting of the Board of Directors 12 times since his assumption of office in June 2007. Commented as necessary based on rich experience and knowledge as a specialist of political science and an administrator of a university.

ⅲ. Limited Liability Contracts

The Company has signed a limited liability contract with each of the four Outside Directors, Messrs. Atsushi Shimizu, Kiichiro Furusawa, Hiroshi Hirabayashi, and Takeshi Sasaki, to limit their liabilities as provided in Article 423, Paragraph 1 of the Corporate Law to 31.2 million yen or the minimum liability amount stated in Article 425, Paragraph 1 of the Company Law, whichever is larger.

(3) Executive Officer

		Responsibility	Representation or positions holding at other entities, etc.
Representative Executive Officer President and Chief Executive Officer (*)	Atsutoshi Nishida		
Representative Executive Officer Corporate Senior Executive Vice President (*)	Shigeo Koguchi	Support of the President General Executive of the Innovation Division General Executive of Information & Security Group	
Representative	Yoshiaki Sato	Support of the	

Executive Officer Corporate Senior Executive Vice President (*)		President General Executive of the Export Control Group General Executive of Marketing Group	
Representative Executive Officer Corporate Senior Executive Vice President (*)	Masao Niwano	Support of the President	Chairman of Toshiba Nuclear Energy Holdings (US) Inc. President of Toshiba Nuclear Energy Holdings (UK) Limited President of TSB Nuclear Energy Investment US Inc. President of TSB Nuclear Energy Investment UK Limited
Representative Executive Officer Corporate Senior Executive Vice President (*)	Toshio Yonezawa	Support of the President Managing Director, Automotive Systems General Executive of the Quality Division General Executive of the CSR Division General Executive of the Productivity Procurement & Environment Group	Chairman of Toshiba Hangzhou Co., Ltd. Chairman of Toshiba Dalian Co.,Ltd.
Executive Officer Corporate Executive Vice President	Makoto Azuma	General Executive of the Technology and Intellectual Property Group	
Executive Officer Corporate Executive Vice President	Masashi Muromachi	Responsible for the Electronic Devices & Components Group	

		Managing Director, New Visual Device	
Representative Executive Officer Corporate Executive Vice President (*)	Fumio Muraoka	General Executive the Finance & Accounting Group	
Executive Officer Corporate Executive Vice President	Hisatsugu Nonaka	Responsible for the Digital Products Group	
Executive Officer Corporate Executive Vice President	Masao Namiki	General Executive Strategic Planning & Communications Group	
Executive Officer Corporate Executive Vice President	Chikahiro Yokota	Responsible for the Consumer Electronics Group	
Executive Officer Corporate Executive Vice President	Norio Sasaki	Responsible for the Social Infrastructure Group	
Executive Officer Corporate Senior Vice President	Yoshihide Fujii	President and CEO of Digital Media Network Company of Toshiba	
Executive Officer Corporate Senior Vice President	Toshinori Moriyasu	General Manager of the Automotive Systems Division	President of Toshiba Alpine Automotive Technology, Inc.
Executive Officer Corporate Senior Vice President	Ichiro Tai	Director of Corporate Research & Development Center	Chairman of Toshiba Research Europe Ltd
Executive Officer Corporate Senior Vice President (*)	Kazuo Tanigawa	Managing Director, the Network Services & Content General Executive Legal Affairs Group General Executive the Human	

		Resources Group	
Executive Officer Corporate Senior Vice President	Shozo Saito	President and CEO of Semiconductor Company of Toshiba	
Executive Officer Corporate Senior Vice President	Hidejiro Shimomitsu	President and CEO of Personal Computer & Network Company of Toshiba	
Executive Officer Corporate Vice President	Shunsuke Kobayashi	General Manager of Kansai Branch Office	Director and Corporate Senior Executive Vice President of Densi Kaikan Corporation
Executive Officer Corporate Vice President	Toru Uchiike	Corporate Representative in America	Chairman and CEO of Toshiba America, Inc.
Executive Officer Corporate Vice President	Mutsuhiro Arinobu	General Manager of Corporate Audit Division	
Executive Officer Corporate Vice President	Nobuhiro Yoshida	General Manager of Technology Planning Division	
Executive Officer Corporate Vice President	Michiharu Watanabe	General Manager of Corporate Sales and Marketing Division	
Executive Officer Corporate Vice President	Hisao Tanaka	General Manager of Corporate Procurement Division	Chairman of Taiwan Toshiba International Procurement Corporation Chairman of Toshiba International Procurement Hong Kong Ltd.
Executive Officer Corporate Vice President	Yoshio Ooida	Executive Vice President of Semiconductor Company of Toshiba	
Executive Officer Corporate	Shunichi Kimura	President and CEO of Social Infrastructure	

Vice President		Systems Company of Toshiba	
Executive Officer Corporate Vice President	Koji Iwama	Executive Vice President of Semiconductor Company of Toshiba	
Executive Officer Corporate Vice President	Satoshi Niikura	Executive Vice President of Digital Media Network Company of Toshiba	Chairman of Dailan Toshiba Television Co., Ltd.
Executive Officer Corporate Vice President	Toshiharu Watanabe	President and CEO of Industrial Systems Company of Toshiba	
Executive Officer Corporate Vice President	Keizo Tani	Executive Vice President of Semiconductor Company of Toshiba	
Executive Officer Corporate Vice President	Hidemi Miura	Management Director, Display Devices and Components Control Center	
Executive Officer Corporate Vice President	Hideo Kitamura	President and CEO of Power Systems Company of Toshiba	
Executive Officer Corporate Vice President	Shoji Yoshioka	Executive Vice President of Digital Media Network Company of Toshiba	
Executive Officer Corporate Vice President	Kosei Okamoto	President and CEO of Mobile Communications Company of Toshiba	
Executive Officer Corporate Vice President	Kazuyoshi Yamamori	Executive Vice President of Digital Media Network Company of Toshiba	

(Notes)1. (*) indicates that the Executive Officer concurrently holds office as a Director.

2. At the first meeting of the Board of Directors held after the Ordinary General

Meeting of Shareholders for the 168th fiscal period held on June 25, 2007, seven Executive Officers, Corporate Vice Presidents, Messrs. Toshiharu Watanabe, Keizo Tani, Hidemi Miura,, Hideo Kitamura, Shoji Yoshioka, Kosei Okamoto and Kazuyoshi Yamamori were newly elected and assumed office.

3. Executive Officer, Corporate Vice President, Mr. Yoshio Ooida resigned as of March 31, 2008.
4. The following changes were made effective as of April 1, 2008.

		Responsibilities	Representation or positions holding at other entities, etc.
Representative Executive Officer Corporate Senior Executive Vice President	Shigeo Koguchi	Support of the President Managing Director, New Lighting Systems General Executive of Innovation Division General Executive of the Information and Security Group	
Executive Officer Corporate Executive Vice President	Hisatsugu Nonaka	Responsible for the Digital Products Group Managing Director, New DVD	
Executive Officer Corporate Executive Vice President	Chikahiro Yokota	Responsible for the Consumer Electronics Group	President of Toshiba Consumer Electronics Holdings Corporation
Executive Officer Corporate Vice President	Hideo Kitamura	President and CEO of Transmission Distribution & Industrial Systems Company of Toshiba	

Executive Officer Corporate Vice President	Toshiharu Watanabe	President and CEO of Social Infrastructure Systems Company of Toshiba	
Executive Officer Corporate Vice President	Shunichi Kimura	Support of Executive Officer, Corporate Executive Vice President, Mr. Sasaki	

8. Compensation Policy and the Amount of Compensation

(1) Compensation Policy

The Compensation Committee establishes compensation policy regarding compensation of each director and/or executive officer as follows;

Since the main responsibility of Directors is to supervise the execution of the overall Group's business, compensation for Directors is determined at an adequate level to secure highly competent personnel and ensure effective work of the supervisory function.

Since the responsibility of Executive Officers is to increase corporate value in their capacity as executives responsible for companies or divisions within the Group, compensation for Executive Officers is divided into the fixed compensation and the performance-based compensation, and determined at an adequate level to secure highly competent personnel and ensure effective function of their compensation package as an incentive to improve business performance.

i. Director's Compensation

The fixed compensation is paid to Directors who do not concurrently hold office as an Executive Officer based on his/her status as a full-time or part-time Director and his/her duties.

The fixed compensation is paid to Directors who concurrently hold office as an Executive Officer in addition to the Executive Officer's compensation specified in (ii).

ii. Executive Officer's Compensation

Executive Officer's compensation is comprised of the basic compensation based on the

Executive Officer's rank (eg. President and Chief Executive Officer, Corporate Senior Executive Vice President) and the service compensation calculated according to his/her duties as an Executive Officer.

40-45% of the service compensation will fluctuate from zero (no compensation) to 2 times according to the year-end performance of the Company or of the division for which the Executive Officer is responsible.

iii. Compensation Standards

Compensation standards are determined at suitable levels as a global company, with the aim of securing highly competent management personnel. The compensation standards of other listed companies and payroll and benefits of employees are considered when determining the Company's compensation standards of management.

The retirement benefit was terminated in June 2006.

(2) Amount of Compensation Paid

Item	Number of Directors/Executive Officers	Amount
	Persons	Millions of yen
Directors	14	282
(Outside Directors)	(4)	(55)
Executive Officers	36	1,374

9. The Company's accounting auditor

(1) Name of the Company's accounting auditor

Ernst & Young ShinNihon

(Note) Of the main Group companies, following companies were audited by accounting auditors other than Ernst & Young ShinNihon: Toshiba America Business Solutions, Inc., AFPD Pte., Ltd., Toshiba Nuclear Energy Holdings (US), Inc., Toshiba Nuclear Energy Holdings (UK), Limited, Toshiba America Medical Systems, Inc., Toshiba America, Inc., Toshiba International Finance (UK) Plc., Toshiba Capital (Asia) Ltd., and Taiwan Toshiba International Procurement Corporation.

(2) Amount of economic benefits

	Millions of yen
i. Total amount of economic benefits to be paid by the Group	1,285
ii. Total amount to be paid by the Group as fees for audit services within (i.) above	685
iii. Total amount of fees for accounting auditors within (ii.) above to be paid by the Company	229

(Note) The audit engagement between the Company and its accounting auditors does not distinguish the fees for auditing required under the Company Law from the fees for auditing required under the Financial Instruments and Exchange Law. Because of this, the amount shown in iii. above is the total amount of these two types of fees.

(3) Non-audit services

The Company receives advice from Ernst & Young ShinNihon about, among others, the introduction of the assessment of internal controls over the financial reporting under the Financial Instruments and Exchange Law.

(4) Policy of the dismissal or non-reappointment of accounting auditors

i. The Audit Committee will, if it considers that any accounting auditor comes under any of the items of Article 340, Paragraph 1 of the Company Law, dismiss such accounting auditor by the agreement of all of its members.

ii. The Audit Committee will, if it considers that any accounting auditor comes under any of the following items, decide to propose the appointment of a new accounting auditor and the dismissal and non-reappointment of such accounting auditor at the General Meeting of Shareholders:

a. If the accounting auditor received an administrative punishment for violation of any law or regulation;

b. If the accounting auditor was punished, etc. in accordance with the regulations of the Japanese Institute of Certified Public Accountants;

c. If the Company receives from the accounting auditor a notice to the effect that the auditor does not continue the audit engagement with the Company; or

d. If the Company intends to make the audit service more proper or more efficient.

10. System for Ensuring the Appropriate Performance of the Company's Business (Internal Control System), etc.

(1)Systems to Ensure the Appropriateness of Business Operations

The Board of Directors resolved systems to ensure the appropriateness of business operations as follows:

i. System to ensure that Executive Officers' compliance with laws and regulations and the Articles of Incorporation.

a. Executive Officers periodically report to the Board of Directors on their execution of their duties and are required to report on necessary items to the Board of Directors, as necessary.

b. The General Manager of the Corporate Audit Division periodically reports to the Board of Directors on internal audit results.

c. The Audit Committee periodically interviews Executive Officers and the General Manager of the Corporate Audit Division reports to the Audit Committee on internal audit results.

d. Executive Officers report to the Audit Committee on any material violation of laws and regulations without delay in accordance with the Rules concerning Reporting to the Audit Committee.

ii. System for retention and management of information concerning Executive Officers' execution of their duties.

a. In accordance with the Rules concerning the Document Retention Period, Executive Officers appropriately retain and manage material documentation, such as information materials for the Management Meetings and decision-making documents, and other documents such as account books and records.

b. Executive Officers run a system that allows Directors to access important information, such as information materials for the Management Meetings, decision-making documents, financial statements and records and business reports.

iii. Rules and other systems concerning risk management

a. In accordance with the Basic Rules concerning Risk-Compliance Management, the Chief Risk-Compliance Management Officer (hereinafter referred to as the "CRO") formulates and promotes measures concerning crisis and risk management in his/her capacity as the chairman of the Risk-Compliance Committee.

b. Executive Officers formulate and promote measures necessary for continuously clarifying business risk factors and minimizing loss in the event that risk is realized in accordance with Basic Rules of Business Risk Management.

iv. System to ensure that Executive Officers efficiently execute their duties

a. The Board of Directors determines the basic management policy and approves the mid-term business plan and annual budgets prepared by the Executive Officers.

b. The Board of Directors delegates authority and responsibilities to each Executive Officer in an appropriate manner and Executive Officers clarify the authority and responsibilities of the Executive Officers and employees in accordance with the Rules concerning Responsibilities of Division and the Rules concerning Managerial Duties.
c. Executive Officers set concrete targets and roles of organizations and employees.
d. Executive Officers make decisions on business operations based on appropriate procedures in accordance with the Board of Directors Rules, the Corporate Decision Making Rule, the In-house Company Decision Making Rule and other rules.
e. Executive Officers follow up annual budget implementation and appropriately evaluate performance evaluation by means of monthly meetings and the Performance Evaluation Committee.
f. Executive Officers promote strengthening of information security systems and operate the accounting system, the authorization system and other information processing systems in an appropriate manner.

v. System to ensure that employees' performance of their duties conforms to laws and regulations and the Articles of Incorporation

a. The President & CEO ensures, through continuous execution of employee education etc., that employees comply with the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees.
b. The CRO formulates and promotes measures concerning compliance with laws and regulations in his/her capacity as the chairman of the Risk-Compliance Committee in accordance with the Basic Rules concerning Risk-Compliance Management.
c. The Executive Officer in charge endeavors to detect problems early and deal with them in an appropriate manner by making use of the whistle-blower system.

vi. System to ensure the appropriateness of business operations of Toshiba Group

a. Toshiba Corp. requests its subsidiaries to adopt and implement the Toshiba Group Standards of Conduct.
b. Toshiba Corp. requests its subsidiaries to report to Toshiba Corp. in accordance with the Operational Communication Arrangement in the event that material issues arise in their business operations.
c. Toshiba Corp. formulates appropriate measures for internal control, including that of its subsidiaries, and requests its subsidiaries to promote the measures according to their situations.
d. Toshiba Corp. requests its subsidiaries to establish audit systems in accordance with the Toshiba Group Auditors' Audit Policy.
e. Toshiba Corp. executes management audits of its subsidiaries, as necessary.

(2)Items Necessary for the Audit Committee's Performance of its Duties

The Board of Directors resolved items necessary for the Audit Committee’s performance of its duties as follows;

i. Employees assigned to assist the Audit Committee in the performance of its duties

a. In order to assist the Audit Committee in the performance of its duties, the Audit Committee Office consisting of around five staff is established. No director is assigned to assist the Audit Committee in the performance of its duties.

ii. Independence of employees mentioned in the preceding paragraph from Executive Officers

a. Personnel transfer of employees of the Audit Committee Office is discussed with the Audit Committee in advance.

iii. System for reporting by Executive Officers and employees to the Audit Committee and other systems concerning reporting to the Audit Committee

a. Executive Officers and employees report to the Audit Committee in accordance with the Rules concerning Reporting to the Audit Committee in the event that any material issue arises that may affect operation and financial performance.

b. The President & CEO provides auditors designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

iv. System to ensure that audits by the Audit Committee are conducted effectively

a. The President & CEO periodically dialog with the Audit Committee.

b. Executive Officers and employees report the execution of their duties to the Audit Committee by means of the periodical interviews conducted by the Audit Committee and circuit interviews.

c. The General Manager of the Corporate Audit Division discusses the policy and the plan for internal audits at the beginning of each fiscal year with the Audit Committee in advance and timely reports the internal audit results to the Audit Committee.

d. The Audit Committee has accounting auditors provide explanations and reports concerning the accounting audit plan at the beginning of each fiscal year, the situation of accounting audits during each term and the results of the accounting audits at the end of each fiscal year.

e. The Executive Officer in charge provides explanations to the Audit Committee concerning the interim settlement of accounts and settlement of accounts at the end of fiscal year as well as quarterly settlement of accounts prior to the approval by the Board of Directors.

f. The President & CEO informs the Audit Committee in advance and provides explanations concerning the assignment of the General Manager of the Corporate Audit Division, taking into consideration the independence of the General Manager of the Corporate Audit Division from other Executive Officers and organizations.

11. Basic Policy on the Control of the Company and Takeover Defense Measure

(1)Basic Policy

In order for the Toshiba Group (the "Group") to earn appropriate profit for return to our shareholders, and to achieve sustainable, continuous growth in the corporate value and common interests of shareholders over the medium-to long-term, we believe it is essential to maintain and develop a proper and good relationship with our shareholders and with other stakeholders, such as customers, business partners, vendors, employees and regional communities, and to adequately consider the interests of these stakeholders.

Also, when we receive a proposal for acquisition for the Company’s shares, in order to make a suitable determination regarding the effect that such acquisition would have on the value of the Company and the common interests of our shareholders, we believe it is necessary to gain an adequate understanding of the synergies that could potentially be achieved through a combination of business fields, the current business condition of the Group, and other factors that contribute to the corporate value of the Company.

In light of the required considerations described above, the Company’s Board of Directors believes that any party acquiring a large amount of the Company’s shares, or making a proposal to do so, that does not contribute to protecting and enhancing the corporate value of the Company and the common interests of shareholders, is an inappropriate party to be in control of decisions about the financial and business policy of the Company.

(2)Undertakings to Contribute to Achieving the Company’s Basic Policies

The Group will achieve sustainable growth through proactive management, and continue the structural reforms it has been promoting to date. In order to survive in the face of intense competition, the Group will further increase the speed of management decision-making and seek market leadership. Toward those ends, the Group will consistently create differentiated products and implement measures to strengthen Group businesses and generate profit.

In order to continue the sustained development of the Group, it is essential that we increase our social standing by positively contributing to the communities of the countries and regions around the world, and by discharging our corporate social responsibilities. The Group will promote activities for continuous compliance with laws and regulations, respect for human rights, protection of the environment, and contributions to society.

(3)Measures to Prevent Persons Considered Inappropriate, in Light of the Company's Basic Policies (Takeover Defense Measure)

The Company introduced a plan for countermeasures to any large-scale acquisitions of the Company's shares (the "Plan"), based on the shareholders' approval for the basic concept of the Plan at the Ordinary General Shareholders Meeting held in June 2006, for the purpose of protection and enhancement of the corporate value of the Company and the common interests of shareholders.

The Plan was introduced for the purpose of protecting and enhancing the corporate value of the Company and the common interests of its shareholders by explicitly setting forth the procedures to be followed when a large-scale acquisition of the Company's shares is made, ensuring that shareholders are provided with necessary and adequate information and sufficient time to make appropriate decisions, and securing the opportunity for the Company to negotiate with the acquirer.

Specifically, if an acquirer starts or plans to start an acquisition or a takeover bid that would result in the acquirer holding 20% or more of the Company's total outstanding shares, the Company will require the acquirer to provide the necessary information in advance to its Board of Directors. The Board of Directors will then establish a Special Committee that will, at its discretion, obtain advice from outside experts, evaluate and consider the details of the acquisition, disclose to the Company's shareholders the necessary information regarding the acquisition, as well as the alternative proposal prepared by the Company's Chief Executive Officer, and then negotiate with the acquirer. If the acquirer does not comply with the procedures under the Plan, or the Special Committee decides that the acquisition would damage the corporate value of the Company or the common interests of shareholders, the Special Committee will recommend to the Board of Directors that the Company implement countermeasures (a gratis allotment of stock acquisition rights (*shinkabu yoyakuken no mushou wariate*), a condition of which will be that they cannot be exercised by acquirers or the like) and protect the corporate value of the Company and the common interests of shareholders.

(4)Reasonableness of the Plan

For the reasons set out below, the Company's Board of Directors believes that the Plan is based on the Company's basic policies and does not prejudice the corporate value or the common interests of shareholders of the Company, and it also believes that the introduction of the Plan is not for the purpose of maintaining the status held by the management of the Company.

a. Reflection of the intent of shareholders

The Plan was introduced upon the shareholders' approval for the basic concept of the Plan at the Ordinary General Shareholders Meeting held in June 2006.

Further, the Plan may be terminated by a resolution of the Board of Directors even if the effective period of the Plan has not expired.

b. Disclosure of information and decision making based on the decisions of independent outside parties

The Company is a corporation with committees. Through establishing the Special Committee solely comprised of three or more independent outside directors who are in a position to monitor the executive officers of the Company, the Company may exclude arbitrary decisions by the management of the Company and thereby ensure the objectivity and reasonableness of the Special Committee's judgments. At the same time, the Company believes that the Special Committee, through its understanding of the current status of the Company and the essentials that comprise the Company's corporate value, will be able to appropriately judge the effect that an Acquisition may have on the Company's corporate value and the common interests of its shareholders.

Furthermore, for the purpose of increasing transparency in judgments made by the Special Committee, the Company will promptly disclose outlines of the Acquisition Statement provided by the Acquirer, the opinion of the Company's Chief Executive Officer on the details of an Acquisition made by the Acquirer, outline of an alternative proposal, and any other matters that the Special Committee deems appropriate to disclose to its shareholders.

c. Establishment of reasonably objective requirements for triggering the Plan

The Plan is so constituted that it will not be triggered unless previously determined reasonable and objective requirements have been satisfied. Consequently, the Plan eliminates arbitrary triggering by the Company's management.

For the details of the Plan, please refer to The Company's web site （http://www.toshiba.co.jp/about/press/2006_04/pr_j2802.htm） *.

* The English version is (http://www.toshiba.co.jp/about/press/2006_04/pr2802.htm).

12. The Group's Employees **As of March 31, 2008**

Segment	Number of Employees
	Persons
Digital Products	48,875
Electronic Devices	35,191
Social Infrastructure	70,074
Home Appliances	28,068
Others	12,238
Group-wide (shared)	3,272
Total	197,718

(Note) The Company has 33,260 employees.

13. Main Business of the Group **As of March 31, 2008**

Segment	Primary Business Activities
Digital Products	Mobile phones, Hard disk drives, Optical disk drives, Televisions, LCD televisions, Projection televisions, Projectors, Camera systems, DVD players, DVD recorders, Personal computers, PC servers, Business telephones, POS systems, Multi-function peripherals and others
Electronic Devices	General-purpose logic ICs, Small signal devices, Optoelectronic devices, Power devices, Image information system LSIs, Communication & network system LSIs, CMOS image sensors, Micro computers, LCD driver, Bipolar ICs, NAND Flash memories, Multi chip packages, Liquid crystal displays, X-ray

	tubes, and others
Social Infrastructure	Nuclear power generators, Thermal power generators, Hydro-power generators, Electric distribution systems, Instruments control systems, Transportation equipments, Electrical machinery, Automatic letter handling machines, Banking machines, Automatic railroad station equipments, Gauge, Switchgear, Water supply and sewage systems, Road equipment system, Government systems, Broadcasting systems, Transmission network systems, Radar systems, Elevators, Escalators, IT solutions, Diagnostic X-ray systems, CT systems, MRI systems, Diagnostic ultrasound systems, Clinical analysis systems and others
Home Appliances	Refrigerators, Washing Drying machines, Washing machines, Kitchen appliances, Vacuum Cleaners, Light bulbs, Fluorescent lamps, Light fixtures, Industrial light parts, Air-conditioners, Compressors, Batteries and others
Others	Rental & sale of real estate and others

14. Main Places of Business and Facilities of the Group **As of March 31, 2008**

(1) The Company

Segment	Major Distribution	
Company-wide	Offices	Principal Office (Minato-ku, Tokyo), Hokkaido Branch Office (Sapporo), Tohoku Branch Office (Sendai), Shutoken Branch Office (Saitama), South-Shutoken Branch Office (Yokohama), Hokuriku Branch Office (Toyama), Chubu Branch Office (Nagoya), Kansai Branch Office (Osaka), Chugoku Branch Office (Hiroshima), Shikoku Branch Office (Takamatsu), Kyushu Branch Office (Fukuoka)

	Laboratories	Corporate Research & Development Center (Kawasaki), Software Engineering Center (Kawasaki), Corporate Manufacturing Engineering Center (Yokohama), Yokohama Complex (Yokohama)
Digital Products	Laboratories	Core Technology Center (Ome), PC Development Center (Ome), Mobile Communications Development Center (Hino)
	Production Facilities	Fukaya Operations (Fukaya), Ome Complex (Ome), Hino Operations (Hino)
Electronic Devices	Laboratories	Center For Semiconductor Research & Development (Kawasaki), Process & Manufacturing Engineering Center (Yokohama)
	Production Facilities	Microelectronics Center (Kawasaki), Yokkaichi Operations (Yokkaichi), Himeji Operations (Himeji), Kitakyushu Operations (Kitakyushu), Oita Operations (Oita)
Social Infrastructure	Laboratories	Power and Industrial Systems Research and Development Center (Yokohama), Isogo Nuclear Engineering Center (Yokohama)
	Production Facilities	Fuchu Complex (Fuchu, Tokyo), Komukai Operations (Kawasaki), Hamakawasaki Operations (Kawasaki), Keihin Product Operations (Yokohama), Mie Operations (Asahi Cho, Mie)

(2) The Group Companies

The names and locations of the main companies in the Group are noted in 4. Outline of Main Group Companies.

Consolidated Balance Sheet

Consolidated Statement of Income

Consolidated Statement of Shareholders' Equity

Notes to Consolidated Financial Statements

For the year ended March 31, 2008

The 169th term

Toshiba Corporation

Consolidated Balance Sheet

As of March 31, 2008

Assets	(Millions of yen)
Current assets	2,929,382
Cash and cash equivalents	248,649
Notes and accounts receivable	1,312,003
Notes	80,312
Accounts	1,253,108
Allowance for doubtful notes and accounts	△ 21,417
Inventories	851,452
Deferred current tax assets	148,531
Prepaid expenses and other current assets	368,747
Long-term receivables and investments	592,738
Long-term receivables	7,423
Investments in and advances to affiliates	321,166
Marketable securities and other investments	264,149
Property, plant and equipment	1,332,178
Land	128,210
Buildings and Fixtures	1,160,549
Machinery, equipment and other tangible fixed assets	2,598,042
Construction in progress	215,937
Less - Accumulated depreciation	△ 2,770,560
Other assets	1,081,339
Deferred tax assets	285,757
Others	795,582
Total assets	5,935,637

Consolidated Balance Sheet (Continued)

As of March 31, 2008

Liabilities	(Millions of yen)
Current liabilities	2,985,987
Short-term borrowings	257,831
Current portion of long-term debentures and debts	262,422
Notes payable, trade	55,870
Accounts payable, trade	1,168,389
Accounts payable, other and accrued expenses	516,046
Accrued income and other taxes	89,763
Advance payments received	248,280
Other current liabilities	387,386
Long-term liabilities	1,557,474
Debentures and long-term debt	740,710
Accrued pension and severance costs	634,589
Other liabilities	182,175
Total liabilities	4,543,461
Minority interests in consolidated subsidiaries	369,911
Shareholders' equity	
Common stock	280,126
Authorized - 10,000,000,000 shares	
Issued: 3,237,031,486 shares	
Additional paid-in capital	290,936
Retained earnings	774,461
Accumulated other comprehensive loss	△ 322,214
Treasure stock, at cost	△ 1,044
1,442,645 shares	
Total shareholders' equity	1,022,265
Commitments and contingent liabilities	
Total liabilities, minority interests and shareholders' equity	5,935,637

Consolidated Statement of Income

For the year ended March 31, 2008

	(Millions of yen)
Sales and other income	7,935,803
Net sales	7,668,076
Interest and dividends	26,865
Equity in earnings of affiliates	28,023
Other income	212,839
Costs and expenses	7,680,245
Cost of sales	5,759,840
Selling, general and administrative	1,670,137
Interest	39,827
Other expense	210,441
Income before income taxes and minority interest	255,558
Income taxes:	113,380
Current	102,745
Deferred	10,635
Income before minority interest	142,178
Minority interests in income of consolidated subsidiaries	14,765
Net income	127,413

Consolidated Statement of Shareholders' Equity

For the year ended March 31, 2008

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Treasury stock	Total
Balance as of March 31, 2007	274,926	285,765	681,795	△131,228	△2,937	1,108,321
Comprehensive income (loss)						
Net income			127,413			127,413
Other comprehensive income (loss), net of tax:						
Unrealized gains (losses) on securities				△27,340		△27,340
Foreign currency translation adjustments				△95,614		△95,614
Minimum pension liability adjustment				△66,721		△66,721
Unrealized gains (losses) on derivative instruments				△1,311		△1,311
Comprehensive income						△63,573
Adjustment to initially applied SFAS 48, net of tax			5,555			5,555
Dividends			△40,302			△40,302
Conversion of convertible bonds	5,200	5,200				10,400
Purchase and disposition of treasury stock, net, at cost		△29			1,893	1,864
Balance at March 31, 2008	280,126	290,936	774,461	△322,214	△1,044	1,022,265

Notes to Consolidated Financial Statements

1. Notes to Significant Matters Supporting the Basis of Preparation of Consolidated Financial Statements

(Significant Accounting Policies)

1) Standard of preparation of the consolidated balance sheet and the consolidated statement of income

The Group prepares the consolidated balance sheet and the consolidated statement of income based on the language, form and preparation method in accordance with accounting principles generally accepted in the U.S. in light of Article 148, Paragraph 1 of the Regulations for Corporate Accounting. However, according to this paragraph, the Company omits a part of presentation and notes required by accounting principles generally accepted in the U.S.

2) Inventories

Raw materials and finished products and work in process held for sale are stated at the lower of cost or market, cost being determined principally by the average method. Finished products and work in process for contract items are stated at the lower of cost or estimated realizable value, cost being determined by accumulated production costs.

3) Marketable Securities and Other Investments

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 115 (Accounting for Certain Investments in Debt and Equity Securities), the Company classifies all of its marketable securities as available-for-sale which are reported at fair value, with unrealized gains and losses included in accumulated other comprehensive income (loss), net of taxes. Other investments without quoted market prices are stated at cost. Realized gains or losses on the sale of securities are based on the average cost of a particular security held at the time of sale.

4) Method of depreciation for property, plant and equipment

Depreciation for property, plant and equipment is computed generally by the declining-balance method.

Effective April 1, 2007, the Company and its domestic subsidiaries elected to change the depreciation method for machinery and equipment to the 250% declining-balance method, assuming an estimated residual value of one yen. Based on our analysis of the actual use and the estimated residual value of machinery and equipment, etc. of the Company and its domestic subsidiaries, the Group believes that the 250% declining-balance method is preferable because it provides a better matching of the allocation of cost of machinery and equipment with the revenues from the products. As a result, income before income taxes and minority interest and net income were stated at 76,519 million yen and 44,730 million yen less, respectively, than figures calculated using the former method.

5) Impairment of Long-Lived Assets

Long-lived assets, other than goodwill and indefinite-lived intangible assets, are evaluated for impairment using an estimate of undiscounted cash flows whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If the estimate of undiscounted cash flow is less than the carrying amount of the asset, an impairment loss is recorded based on the fair value of the asset. Fair value is determined primarily by using the anticipated cash flows discounted at a rate commensurate with the risk involved. For assets held for sale, an impairment loss is further increased by costs to sell. Long-lived assets to be disposed of other than by sale are consolidated as held and used until disposed of.

6) Goodwill and Other Intangible Assets

In accordance with "SFAS" No. 142 (Goodwill and Other Intangible Assets), goodwill and recognized intangible assets determined to have an indefinite useful life are no longer amortized, but instead are tested for impairment at least annually. Intangible assets with finite lives are amortized over their respective estimated useful lives.

7) Allowance for Doubtful Accounts

An allowance for uncollectible trade receivables is recorded based on a combination of the write-off history, aging analysis, and an evaluation of any specific known troubled accounts. When all collection options are exhausted including legal recourse, the accounts or portions thereof are deemed to be uncollectible and charged against the allowance.

8) Accrued Pension and Severance Costs

The Company sponsors various retirement benefit and pension plans covering substantially all employees. Current service costs of the plans are accrued in the period. Prior service costs resulting from amendments to the plans are amortized over the average remaining service period of employees expected to receive benefits. Unrecognized actuarial losses that exceed 10 percent of the greater of the projected benefit obligation or the fair value of plan assets are also amortized over the average remaining service period of employees expected to receive benefits.

9) Net Income Per Share

Basic net income per share "EPS" is computed based on the weighted-average number of shares of common stock outstanding during each period. Diluted EPS assumes the dilution that could occur if stock acquisition rights were exercised to issue common stock, unless their inclusion would have an antidilutive effect.

10) New Accounting Standard

Effective April 1, 2007, the Company applies FASB Interpretative Guidance No. 48. Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109, and retained earnings increased by 5,555 million yen due to a cumulative effect adjustment.

2. Notes to Consolidated Balance Sheet

1) Collateral assets and liabilities secured by collaterals

Collateral assets	Tangible fixed assets	11,749	million yen
	Total	11,749	million yen
Liabilities secured by collaterals	Short-term borrowing	1,026	million yen
	Long-term borrowing	3,271	million yen
	Total	4,297	million yen

2) Liabilities on guarantee and their kinds 191,572 million yen

3) Accumulated other comprehensive loss includes Unrealized gains and losses on securities, Foreign currency translation adjustments, Minimum pension liability adjustment and Unrealized gains and losses on derivative instruments.

4) Important disputes

In January 2007, the European Commission adopted a decision that imposed fines on 19 companies, including the Company, for infringing EU Competition Law in the gas insulated switchgear market. The decision imposed a fine of €86.25 million on the Company, plus a fine of €4.65 million jointly and severally with Mitsubishi Electric Corporation. Following its own investigation, the Company contends that it has not found any infringement of EU Competition Law, and it has brought an action to the European Court of First Instance seeking annulment of the European Commission’s decision.

3. Notes to net income per share

Basic net income per share	39.46	yen
Diluted net income per share	36.59	yen

Non-Consolidated Balance Sheet

Non-Consolidated Statement of Income

Non-Consolidated Statement of Changes in Net Assets

Notes to Non-Consolidated Financial Statements

For the year ended March 31, 2008

The 169th term

Toshiba Corporation

Balance Sheet

As of March 31, 2008

Assets	(Millions of yen)
Current assets	1,352,010
Cash and cash equivalents	42,503
Notes receivables	7,873
Accounts receivables	645,035
Finished products	150,518
Semi-finished products	20,619
Raw materials	43,158
Work in process	153,065
Advance payments	20,088
Prepaid expenses	11,462
Deferred tax assets	55,837
Other current assets	259,940
Allowance for doubtful accounts	△ 58,093
Fixed assets	2,235,546
Tangible fixed assets	652,855
Buildings	191,257
Structures	17,637
Machinery and equipment	192,710
Delivery equipment	227
Tools, fixtures and furniture	65,417
Land	47,486
Construction in progress	138,117
Intangible fixed assets	42,915
Software	31,812
Other intangible fixed assets	11,102
Investments and others	1,539,775
Investment securities	165,127
Security investments in affiliates	945,889
Other investments	5,379
Other investments in affiliates	107,364
Long-term loans	126,687
Long-term prepaid expenses	1,182
Deferred tax assets	121,366
Other assets	67,687
Allowance for doubtful accounts	△ 909
Total assets	3,587,557

Balance Sheet (Continued)

As of March 31, 2008

Liabilities	(Millions of yen)
Current liabilities	1,911,404
Notes payable	3,819
Accounts payable	738,662
Short-term loans	466,405
Commercial paper	132,000
Current portion of debentures	84,306
Accrued liabilities	179,220
Accrued expenses	173,356
Corporate and other taxes payable	982
Advance payments received	109,873
Deposits received	3,666
Allowance for warranty and others	5,790
Allowance for losses on construction contracts	1,986
Other current liabilities	11,335
Long-term liabilities	865,729
Debentures	266,740
Long-term loans	397,000
Allowance for retirement benefits	184,732
Allowance for recycle of personal computers	5,298
Other long-term liabilities	11,958
Total liabilities	2,777,133
Net Assets	
Shareholders' equity	789,915
Common stock	280,126
Capital surplus	267,850
Additional paid-in capital	267,850
Retained earnings	242,982
Other retained earnings	242,982
Reserves for deferral of gains on sales of	15,637
Reserves for special depreciation	6,422
Reserves for programs and others	6
Retained earnings brought forward	220,917
Treasury stock	△ 1,044
Difference of appreciation and conversion	20,508
Net unrealized gains (losses) on investment securities	20,505
Deferred profit (loss) on hedges	3
Total net assets	810,424
Total liabilities and net assets	3,587,557

Statement of Income
For the year ended March 31, 2008

	(Millions of yen)
Net sales	3,685,612
Cost of sales	3,063,763
Gross margin	621,849
Selling, general and administrative expenses	585,584
Net operating income	36,264
Non-operating income	132,797
Interest income	2,642
Dividend income	101,621
Miscellaneous income	28,532
Non-operating expenses	91,631
Interest expenses	14,925
Miscellaneous losses	76,706
Recurring profit	77,429
Extraodinary gains	54,680
Gains from sales of investment securities	44,792
Gains from sales of fixed assets	9,888
Extraodinary lossses	77,655
Restructuring charges	48,389
Losses from impairment of investment securities	18,042
Losses from recognition of allowance for doubtful accounts	11,224
Income before taxes	54,454
Corporate tax, inhabitant tax and business tax	△ 15,632
Taxes deferred	876
Net income	69,211

Statement of Changes in Net Assets

For the year ended March 31, 2008

(Millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus		Retained earnings				Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Other retained earnings					
				Reserves for deferral of gains on sales of property	Reserves for special depreciation	Reserves for program and others	Retained earnings brought forward		
Balance of March 31, 2007	274,926	262,650	28	11,557	10,333	18	192,290	△ 2,937	748,869
Changes in the term									
Conversion of convertible bonds	5,200	5,200							10,400
Reserves for deferral of gains on sales of property				4,079			△ 4,079		0
Reversal of reserves for special depreciation					△ 3,911		3,911		0
Reversal of reserves for programs and others						△ 12	12		0
Dividends from surplus (previous year)							△ 20,887		△ 20,887
Dividends from surplus							△ 19,415		△ 19,415
Net income							69,211		69,211
Purchase of treasury stock								△ 1,235	△ 1,235
Disposal of treasury stock			△ 28				△ 125	3,127	2,973
Change of items other than shareholders' equity (net)									
Total changes in the term	5,200	5,200	△ 28	4,079	△ 3,911	△ 12	28,627	1,892	41,046
Balance of March 31, 2008	280,126	267,850	0	15,637	6,422	6	220,917	△ 1,044	789,915

	Difference of appreciation and conversion		Total net assets
	Net unrealized gains (losses) on investment securities	Deferred profit (loss) on hedges	
Balance of March 31, 2007	43,825	63	792,758
Changes in the term			
Conversion of convertible bonds			10,400
Reserves for deferral of gains on sales of property			0
Reversal of reserves for special depreciation			0
Reversal of reserves for programs and others			0
Dividends from surplus (previous year)			△ 20,887
Dividends from surplus			△ 19,415
Net income			69,211
Purchase of treasury stock			△ 1,235
Disposal of treasury stock			2,973
Change of items other than shareholders' equity (net)	△ 23,320	△ 60	△ 23,380
Total changes in the term	△ 23,320	△ 60	17,665
Balance of March 31, 2008	20,505	3	810,424

Notes to Non-Consolidated Financial Statements

1. Notes to significant accounting policies

(1) Method of valuation of securities

Investment securities in affiliates	valued at acquisition cost based on the moving average method
Other securities	
Marketable securities	valued at market value at the end of fiscal year (The difference are recorded directly in net assets and acquisition costs are calculated by the moving average method)
Non-marketable securities	valued at acquisition cost based on the moving average method

(2) Method of valuation of derivative and others

Derivatives	valued at market value

(3) Method of valuation of inventories

Finished and semi-finished products	valued at acquisition cost based on the specific identification method, or at the lower-of-cost-or-market method based on the moving average method
Work-in-process	valued at acquisition cost based on the specific identification method, or at lower-of-cost-or-market method based on the weighted average method
Raw materials	valued at acquisition cost or the lower-of-cost-or-market method based on the moving average method.

(4) Depreciation methods for fixed assets

Tangible fixed assets	The declining balance method. However, for buildings acquired on or after April 1, 1998 (excluding appurtenant equipment), the straight-line method is applied. Service life of buildings and structure is from 3 years to 50 years. Service life of Machinery and equipment is from 3 years to 18 years. With the revision of the Corporate Tax Law, beginning with the period under review, the residual value of tangible fixed assets acquired on or before March 31, 2007 is depreciated equally over five years from the fiscal year following the year in which their residual value reached 5% of acquisition cost in accordance with the depreciation method under the previous Corporate Tax Law. As a result, net-operating income, recurring profit and income before taxes were stated at ¥7,649 million less, respectively, than figures calculated using the former method.

[Change of accounting treatment]	With the revision of the Corporate Tax Law, beginning with the period under review, tangible fixed assets acquired on or after April 1, 2007 are depreciated in accordance with the depreciation method under the revised Corporate Tax Lax. As a result, net-operating income, recurring profit and income before taxes were stated at ¥12,363 million less, respectively, than figures calculated using the former method.
Intangible fixed assets	The straight-line method. However, for software for sales, the straight-line method based on estimated sales volume or remaining effective life (up to 3 years). For software for internal use, the straight line method based on service life (5 years).

(5) Recognition of allowance

Allowance for doubtful accounts	To prepare the bad debt expense, allowance for doubtful accounts are recorded. Allowance is recorded based on the write-off history in general and recorded for any specific known troubled accounts based on the evaluation of possibility of collection of specific accounts.
Allowance for warranty and others	To cover costs of after-sale service of products, estimated service cost during guarantee period is recognized based on historical record
Allowance for losses on construction contracts	To cover the estimated loss of uncompleted engineering works as of the end of the fiscal year, the estimated loss is recognized.
Allowance for retirement benefits	To cover retirement benefit, it is recorded based on estimated accrued pension and severance costs at the end of fiscal year. Prior service cost is amortized by straight line method over 10 years. Actuarial differences are amortized on a straight-line basis over 10 years from the fiscal year following the fiscal year in which they arise.
Allowance for recycle of personal computers	To cover costs of recycle of personal computers, the estimated recycle costs are recognized based on sales performance.

(6) Revenue recognition
The percentage-of-completion method is applied for long-term construction work contracts (2 years or longer and 1 billion yen or more).

(7) Accounting for lease transactions
For finance lease, except such lease that ownership of leased assets is considered to be transferred to lessee, accounting for rental is applied mutatis mutandis.

(8)Hedge accounting
Method
In principal, the Company applies the deferral hedge accounting method. In addition, when the forward exchange contracts meet the conditions for hedged items, the Company does not account for gains and losses on those forward exchange contracts on a fair value basis, but converts hedged items using the rates of those forward exchange contracts at the closing day. Moreover, when interest swap agreements meet the conditions for hedged items, the Company does not account for gains and losses on those interest swap agreements on a fair value basis,

but recognizes swap interest on an accrual basis.

Measures and objects

Measures	Forward exchange contracts, currency swap agreements, currency options and interest rate swap agreements etc.
Objects	Monetary assets and liabilities denominated in foreign currency, commitments on future transactions denominated in foreign currency and borrowings etc.

Policy

To reduce foreign currency risk and interest risk and to improve net interest expense, the Company employs derivative instruments within actual demand of the Company.

Evaluation of effectiveness

The Company compares the total amount of market change or change of cash flow of objects and the total amount of market change or change of cash flow of measures. Effectiveness of hedge is evaluated based on change of both. However, when interest rate swap agreements are recognized by the exceptional method described above, evaluation of effectiveness is skipped.

(9)Accounting of consumption tax

It is recorded without tax.

(10)Consolidated taxation system

The Company adopted the consolidated taxation system

(11)Presentation of amount

Amounts under million are rounded down.

2. Notes to Balance Sheet

(1)Accumulated depreciation for tangible fixed assets: 1,477,319 million yen

(2) Liabilities on guarantees and their kinds

The Company guarantees bonds and borrowings from financial institution etc. as follows:

(Millions of yen)

Warrantee	Balance of liabilities on guarantees and their kinds
Flash Partners, Ltd.	113,514
Westinghouse Electric Company, LLC	59,234
Toshiba Capital Corporation	57,295
Toshiba Capital (Asia) Ltd.	54,419
Flash Alliance Ltd.	43,537
Toshiba International Finance (Netherlands) B.V.	31,709
Others	76,128
Total	435,839

(3) Important disputes

In January 2007, the European Commission adopted a decision that imposed fines on 19 companies, including the Company, for infringing EU Competition Law in the gas insulated switchgear market. The decision imposed a fine of €86.25 million on the Company, plus a fine of €4.65 million jointly and severally with Mitsubishi Electric Corporation. Following its own investigation, the Company contends that it has not found any infringement of EU Competition Law, and it has brought an action to the European Court of First Instance seeking annulment of the European Commission’s decision.

(4)Monetary receivable and liabilities to subsidiaries and affiliates

Current monetary receivables	(Millions of yen)	492,856
Non-current monetary receivables	(Millions of yen)	134,501
Current monetary liabilities	(Millions of yen)	859,200

3. Notes to statement of income

Sales to subsidiaries and affiliates	(millions of yen)	2,419,338
Purchases from subsidiaries and affiliates	(millions of yen)	2,158,360
Non-operating transactions amounts with subsidiaries and affiliates	(millions of yen)	191,464

4. Notes to statement of change in net assets

(1)The class and number of issued shares as of the end of March 31, 2008

Common stock 3,237,031,486 shares

(2)The class and number of treasury stock as of the end of March31, 2008

Common stock 1,442,645 shares

(3)Resolution of dividend

Resolution	Total amount of dividend	Dividend per share	Record date	Effective Date
Board of Directors Meeting held on April 26, 2007	20,887 million yen	6.50yen	March 31, 2007	June 1, 2007
Board of Directors Meeting held on October 29, 2007	19,415 million yen	6.00 yen	September 30, 2007	December 3, 2007
Board of Directors Meeting held on April 25, 2008(Scheduled)	19,413 million yen	6.00 yen	March 31, 2008	June 2, 2008

5. Notes to deferred income tax accounting

The main cause of accrual of deferred tax assets is non-recognition of retirement allowance and impairment of investment securities at tax return. The main reason of accrual of deferred tax liabilities is other comprehensive income on securities and reserves pursuant to the Special Taxation Measures Law, among others.

6. Notes to fixed assets by lease

In addition to fixed assets recorded in the balance sheets, the Company employs part of tools, fixtures and furniture and machinery and equipment through finance lease agreement in which ownership of leased assets is not considered to be transferred to lessee.

7. Notes to transaction with related parties

Subsidiaries and affiliated companies

(Millions of yen)

Type	Company	Holding ratio of voting rights*1	Relationship	Transaction	Amount	Accounts	Ending Balance
Subsidiary	Toshiba Capital (Asia) Ltd.	100%	Sales of products	Sales of products*3	584,749	Accounts receivables	5,106
				Guarantees	54,419	-	-
Subsidiary	Toshiba International Finance (UK) Plc.	100%	Sales of products	Sales of products*3	443,787	Accounts receivables	2,436
				Borrowing of cash*4	-	Short-term loans	70,000
				Payment of interests*4	7	Accrued expense	0
Subsidiary	Toshiba America Information Systems, Inc.	100%	Sales of products	Sales of products*3	276,531	Accounts receivables	39,841
Subsidiary	Toshiba Capital Corporation	100%	Lending and borrowing of cash	Lending of cash*4	-	Other current assets	1,370
						Long-term loans	49,900
				Receipt of interests*4	987	Other current assets	97
				Borrowing of cash*4	-	Short-term loans	135,000
				Payment of interests*4	687	Accrued expense	0
				Guarantees	57,295	-	-

Subsidiary	Mobile Broadcasting Corporation	36.9%	Lending of cash	Lending of cash*4	-	Other current assets	38,000
				Receipt of interests*4	292	Other current assets	0
Subsidiary	Taiwan Toshiba International Procurement Corporation	100%	Procurement	Procurement*5	851,493	Accounts payable	140,866
Subsidiary	Toshiba Plant Systems & Services Corporation	61.6%	Procurement	Procurement*5	69,418	Accounts payable	39,377
Subsidiary	Toshiba America Capital Corporation	100%	Borrowing of cash	Borrowing of cash*4	-	Short-term loans	99,105
				Payment of interests*4	547	Accrued expense	0
Subsidiary	Westinghouse Electric Company LLC	100%*2	Guarantees	Guarantees	59,234	-	-
Affiliate	Flash Partners Ltd.	50.1%	Lending of cash	Lending of cash*4	-	Long-term loans	76,250
				Receipt of interests*4	574	Other current assets	0
				Guarantees	113,514	-	-
Affiliate	Toshiba Finance Corporation	35.0%	Paying agent of debt	Paying agent of debt	391,506	Accounts payable	109,319
Affiliate	Flash Alliance Ltd.	50.1%	Guarantees	Guarantees	43,537	-	-

*1. Voting rights includes voting rights held through subsidiaries of the Company.

*2.Toshiba Nuclear Energy Holdings (US) Inc., 67% of whose voting rights held by subsidiaries of the Company, holds all of the voting rights of Westinghouse Electric Company LLC.

*3. Conditions of sales of products are determined considering market price and same condition of arms-length transaction.

*4. Conditions of lending and/or borrowing of cash are determined considering market interest rate and same condition of arms-length transaction.

*5. Conditions of procurement are determined considering market price and same condition of arms-length transaction.

8. Notes to information per share

Net assets per share	250.47	yen
Net income per share	21.43	yen

Copy

Report of Independent Auditors (Consolidated Financial Statements)

To: Mr. Atsutoshi Nishida
Representative Executive Officer
President and Chief Executive Officer
Toshiba Corporation

April 23, 2008

Ernst & Young ShinNihon

Michio Ishizuka
Certified Public Accountant
Designated and Engagement Partner

Hideo Kojima
Certified Public Accountant
Designated and Engagement Partner

Hiroshi Hamao
Certified Public Accountant
Designated and Engagement Partner

Hitoshi Uehara
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of shareholders' equity, and the notes to the Consolidated Financial Statements of Toshiba Corporation (the “Company”) applicable to the fiscal year from April 1, 2007 through March 31, 2008. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Toshiba Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2008 in conformity with U.S. generally accepted accounting principles (Please refer to Note 1. 1)) pursuant to Article 148, Paragraph 1 of the Regulations for Corporate Accounting.

As discussed in Note 1.4) to the consolidated financial statements, effective April 1, 2007, the Company and its domestic subsidiaries changed their methods of accounting for depreciation.

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Law.

Copy

AUDIT REPORT (Consolidated Financial Statements)

We, the audit committee of the Company, have audited the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of shareholders' equity and the notes) during the 169th fiscal period, from April 1, 2007 to March 31, 2008.
We report the method and the results as follows:

1. Method and contents of audit

Pursuant to the audit policy, assigned duties and other rules that the audit committee decided, we have received reports on consolidated financial statements from executive officers and other personnel and requested them explanation. In addition, we have overseen and inspected whether the accounting auditor keeps their independency and conducts appropriate audit. We have received reports on execution of its duties from the accounting auditor and requested it explanation. Also, we have received notice from the accounting auditor that it maintains systems to ensure appropriateness of execution of duties (items described in each item of Article 159 of the Regulations for Corporate Accounting) in accordance with “Quality Control Standards for Audits”(October 28, 2005, Business Accounting Council), and requested it explanation.

Based on the method above, we have examined consolidated financial statements for the 169th fiscal period.

2. Results of audit

The method and results of the audit by Ernst & Young ShinNihon, audit firm, the accounting auditor, are appropriate.

April 24, 2008

Audit Committee
Toshiba Corporation

Sadazumi Ryu
(full time)

Toshiharu Kobayashi
(full time)

Atsushi Shimizu

Kiichiro Furusawa

Hiroshi Hirabayashi

Note: Messrs. Atsushi Shimizu, Kiichiro Furusawa and Hiroshi Hirabayashi are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of Companies Act.

Copy

Report of Independent Auditors

To: Mr. Atsutoshi Nishida
Representative Executive Officer
President and Chief Executive Officer
Toshiba Corporation

April 23, 2008

Ernst & Young ShinNihon

Michio Ishizuka
Certified Public Accountant
Designated and Engagement Partner

Hideo Kojima
Certified Public Accountant
Designated and Engagement Partner

Hiroshi Hamao
Certified Public Accountant
Designated and Engagement Partner

Hitoshi Uehara
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of Toshiba Corporation (the "Company") applicable to the 169th fiscal year from April 1, 2007 through March 31, 2008. These financial statements and the related supplementary schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and the related supplementary schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Toshiba Corporation applicable to the 169th fiscal year ended March 31, 2008 in conformity with accounting principles generally accepted in Japan.

As discussed in Note 1.4) to the financial statements, with the revision of the Corporate Tax Law, beginning with the period under review, tangible fixed assets acquired on or after April 1, 2007 are depreciated in accordance with the depreciation method under the revised Corporate Tax Lax.

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Law.

Copy

AUDIT REPORT

We, the audit committee of Toshiba Corporation, have audited directors' and executive officers' execution of their duties during the 169th fiscal period, from April 1, 2007, to March 31, 2008. We report the method and the results as follows:

1. Method and contents of audit

We, the Audit Committee, have overseen and inspected current status of internal control system (Board resolution with respect to items prescribed in Article 416 Paragraph 1 item 1 b) and e) of Companies Act). Also, Pursuant to the audit policy, assigned duties and other rules that the audit committee decided, and in cooperation with the internal audit division and other divisions responsible for internal control, we have attended the important meetings; received reports on execution of duties of directors, executive officers and others from them and inquired about them, inspected important documents of management's decision making and others; and investigated the status of the business operations and assets at the head office and other main places of business.

Also, We have examined "Basic Policy in Control of the Company and Takeover Defense Measure" described in Business Report (basic policy prescribed in Article 127 Item 1 of the Companies Act Enforcement Regulations and undertakings prescribed in Article 127 Item 2 of the Companies Act Enforcement Regulations) based on discussion in the Board and other meetings. We tried to enhance close communication with directors, auditors and other personnel of subsidiaries, and received reports of business from subsidiaries.

In addition, we have received notice from the accounting auditor that it maintains systems to ensure appropriateness of execution of duties (items described in each item of Article 159 of the Regulations for Corporate Accounting) in accordance with "Quality Control Standards for Audits"(October 28, 2005, Business Accounting Council), and requested it explanation.

Based on the method above, we have examined Business Report, Financial Statements (the balance sheet, the statement of income, statement of changes in net assets and notes) the related supplementary schedules for the 169th fiscal period.

2. Results of audit

(1) Audit results of Business Report and others

a. The Business Report presents fairly the status of the Company in accordance with the related regulations and the Articles of Incorporation.

b. With respect to the directors' and executive officers' execution of their duties, we are not aware of any unfair conduct or any material breach of the related regulations or the Articles of Incorporation.

c. The contents of the resolution of the board of directors with respect to internal control system are appropriate. We are not aware of any issues to be pointed out with respect to the directors' and executive officers' execution of their duties regarding this internal control system.

d. The contents of basic policy described in "Basic Policy in Control of the Company and Takeover Defense Measure" in Business Report are appropriate. "Undertakings to Contribute to Achieving the Company's Basic Policies" and "Measures to Prevent Persons Considered Inappropriate, in Light of the Company's Basic Policies, from Controlling the Company's Decisions on Financial and Business Policies (Takeover Defense Measure)"(undertakings prescribed in Article 127 item 2 of the Companies Act Enforcement Regulations) described in Business Report are based on the Company's basic policies and does not prejudice the corporate value or the common interests of shareholders of the Company, and it also believes that the introduction of the Plan is not for the purpose of maintaining the status held by the management of the Company.

(2) Audit results of financial statements and the related supplementary schedules

The method and results of the audit by Ernst & Young ShinNihon, the audit firm, the accounting auditor, are appropriate.

April 24, 2008

Audit Committee
Toshiba Corporation

Sadazumi Ryu
(full time)

Toshiharu Kobayashi
(full time)

Atsushi Shimizu

Kiichiro Furusawa

Hiroshi Hirabayashi

Note: Messrs. Atsushi Shimizu, Kiichiro Furusawa and Hiroshi Hirabayashi are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of Companies Act.