Note: This English translation of Reports for the 173rd 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 independent auditor or the audit committee.

Reports for the 173rd Fiscal Period

Toshiba Corporation

Business Report

1. Business Environment and Results of the Group

(1) Operation and Results of the Group

While the emerging economies, including China and India, continued to expand and the United States saw gradual recovery, the global economy remained in severe circumstances due to financial uncertainties in some European countries, fiscal austerity and concerns about the financial system. Although the global economy is expected to continue to recover gradually, anxieties remain about the rise in crude oil prices and high levels of unemployment in the United States and some European countries, and sovereign risk in some European countries.

The Japanese economy remained in a severe condition due to the impacts of the Great East Japan Earthquake, exposure to sovereign risk in some European countries and the impact of sharp yen appreciation. There are also concerns about crude oil prices and shortages of power generation capacity.

In these conditions, Toshiba Group, aiming to become an even stronger, a world-leading diversified electric and electronics company by overcoming demanding business conditions, strongly promoted global business deployment and the transformation of its business structure through strategic investments and acquisitions to build new business foundations, with a close focus on growth businesses, including the integrated Storage Products business, the Smart Community business and the Healthcare business. Toshiba Group also steadily advanced structural reforms, resulting in improvement to its cost structure, the reorganization and consolidation of domestic and overseas facilities, expansion of overseas procurement and production, in order to establish a business structure resistant to rapid business fluctuations and exchange rate fluctuations.

Toshiba's consolidated net sales for FY2011 were 6,100.3 billion yen, a decrease of 298.2 billion yen against the previous year. Although the Social Infrastructure segment saw higher sales, overall sales were lower, mainly due to sales decreases in the Digital Products and Electronic Devices segments, reflecting the impacts of sharp yen appreciation, the Great East Japan Earthquake, the floods in Thailand and market downturns. Consolidated operating income (loss) was 206.6 billion yen, a decrease of 33.7 billion yen. Although the Electronic Devices segment and the Social Infrastructure segment saw increases, the Digital Products segment saw deterioration. Income (Loss) from continuing operations, before income taxes and non-controlling interests decreased by 43.1 billion yen to 152.4 billion yen. Net income (loss) attributable to shareholders of the Company decreased by 64.1 billion yen to 73.7 billion yen, mainly reflecting the impact of temporary increase of tax expenses due to a revision of a section of the Corporation Tax Act in Japan.

Although the Group focused on the expansion of overseas business centering on emerging markets, the overseas net sales decreased by 221.9 billion yen year on year to 3,324.8 billion yen, impacted by sharp yen appreciation and other factors. The overseas sales ratio was 55%.

While there are uncertainties in future, such as a risk of economic deterioration, the annual dividend from earnings is determined to be 8 yen per share, consisting of an interim 4 yen and a year-end 4 yen per share, in comprehensive consideration of strategic investment for medium- and long-term growth, trends of performance, financial structure, and expectation of dividends from shareholders, etc.

Performance by Segment

Net sales and operating income (loss) by segment are as follows:

(Billions of yen)

Segment	Consolidated Net Sales	Change	Consolidated Operating Income	Change
Digital Products	1,664.0	(253.7)	(28.2)	(57.1)
Electronic Devices	1,616.3	(141.6)	90.2	19.0
Social Infrastructure	2,412.8	135.1	134.2	4.6
Home Appliances	576.8	(23.0)	5.7	(3.1)
Others	326.9	(8.1)	2.9	2.2
Eliminations	(496.5)	(6.9)	1.8	0.7
Total	**6,100.3**	**(298.2)**	**206.6**	**(33.7)**

Business performance and topics by segment are as follows:

Digital Products

Main Businesses	As of March 31, 2012
Television, BD players, BD recorders, DVD players, DVD recorders, Personal computers, Tablet Computers, POS systems, Multi-function peripherals	

Business Overview

The Digital Products segment saw overall sales decrease by 253.7 billion yen to 1,664.0 billion yen. Even though the Visual Products business, which includes TVs, saw sales increase in emerging economies, it recorded a significant decrease in sales in Japan on lower unit sales following the completion of the transition to terrestrial digital broadcasting and the expiration of the eco-point stimulus program in Japan and on price declines. The PC business also recorded a decrease in sales, the result of currency translation adjustments due to sharp yen appreciation, sluggish sales in the United States and Europe.

Overall segment operating income (loss) deteriorated by 57.1 billion yen to -28.2 billion yen. The PC business recorded higher operating income on the execution of proactive cost reductions and lower parts and material costs. However, the Visual Products business saw deterioration in operating income (loss) on significantly lower unit sales and the impact of price declines in Japan, despite improvement from making the best use of original design manufacturers and the reorganization and consolidation of domestic and overseas facilities.

Topics

(1) Strategic business development responding to needs in each region worldwide

While the Visual Products business including televisions has been under extremely harsh conditions, the Group is aiming to proactively expand business and revenue in the global market. For this purpose, the Digital Products & Service Company was newly established in April 2011 for more efficient business operation, combining in-house companies respectively in charge of the Visual Products business and the Personal Computer business.

In order to establish flexible and efficient supply systems for each area toward business expansion especially in emerging economies, the Group also started manufacturing LCD (liquid crystal display) televisions in Egypt in June 2011, and enhanced the manufacturing capability to increase production of LCD televisions in Indonesia in November 2011.

The Group also launched products meeting regional needs, for example "Power TV series" televisions that ensure stable performance even in areas where receiving sensitivity is low or power supply is unstable, with strategic advertisement activities. As a result, Toshiba's market share of LCD TV gained 24% in Malaysia, the highest ever recorded, ensuring a high market share, for example, 23.9% in Indonesia and 21.8% in Vietnam (As a result of sales volume in Gfk Panel Market, Gfk survey as of March 2012).

(2) Launch of high value-added products combining technologies for visual products and personal computers

The Group has created new high value-added product lines, combining technologies of visual products and personal computers which have ever been cultivated.

In December 2011, The Group launched "REGZA 55X3", a digital hi-vision LCD TV. The product allows users to enjoy both high-definition 2D images and glasses-free 3D images for which dedicated glasses are not needed on a wide screen with new 55V (Visual)-type liquid crystal panels using QFMD panel which have four times more pixels than full hi-vision TVs, for the first time in the world (as consumer TV; Company's survey at the time of announcement in October 2011).

In October 2011, The Group also released "dynabook R631", the world's thinnest and lightest (Company survey as of September 2011) notebook PC with 13.3-inch wide LCD, by commercializing "Ultrabook™", a highly responsive notebook PC with sophisticated design, for the first time in domestic makers.

(3) Development of REGZA WORLD which can change ways to enjoy image contents

Based on a concept of REGZA WORLD in which users can enjoy image contents whenever and wherever they want, the Group has been developing products, linking mobile devices such as tablet and personal computers with TVs and recorders, etc.

As a part of them, in October 2011, REGZA Blue-ray "REGZA SERVER DBR-M190" with the time-shift playback function was commercialized. The product automatically records terrestrial digital broadcasting programs on six channels every day, and enables users to watch those programs recorded dating back to 15 days. In October 2011, "REGZA tablet AT700", the world's thinnest and lightest tablet computer (Company survey as of the end of September 2011) with 10.1-inch LCD, was commercialized.

(4) Open of electronic book store "Book Place"

The Company jointly opened an electronic book store "Book Place" with BookLive Co., Ltd. in April 2011, and released an electronic book reader "BookPlace BD50" in February 2012. Over 50,000 book contents (as of January 2012) including general books, comics, photo collections, and magazines are available at "BookPlace".

The Group will address commercialization of various services, aiming to expand the size of sales in terms of both hardware and services overseas and in Japan.

(5) Globally expanding the POS system business

The Group has established the robust status in Asia including Japan, promoting business of POS (point of sale) system for distribution and retailing.

In April 2012, Toshiba TEC Corporation agreed on acquisition of the retail store point-of-sales solutions business of IBM Corporation, a U.S. company, which has had competitiveness mainly in Europe and U.S. and been developing the business also in emerging economies, in order to provide high-level products and solutions worldwide with an eye to becoming the world's foremost retail point of sale systems company.

Electronic Devices

Main businesses	As of March 31, 2012
General-purpose logic ICs, Small-signal devices, Optoelectronic devices, Power devices, Logic LSIs, Image sensors, Analog ICs, NAND flash memories, Hard disk drives, Optical disk drives, Liquid crystal displays	

Business Overview

The Electronic Devices segment saw overall sales decrease by 141.6 billion yen to 1,616.3 billion yen. The Storage Products business saw sales rise on a healthy performance centered on the HDDs, but the Semiconductor business saw a decrease in sales due to sharp yen appreciation, the floods in Thailand, price declines in Memories and a fall-off in demand for Discretes and System LSIs. The LCD business also saw lower sales, largely attributable to the FY2010 sale of AFPD Pte., Ltd., an overseas subsidiary that manufactured LCDs for PCs, as a part of business restructuring.

Overall segment operating income increased by 19.0 billion yen to 90.2 billion yen. The Semiconductor business saw a decrease in operating income on lower demand for Discretes and System LSIs, yen appreciation and the floods in Thailand, despite the positive impact of restructuring and cost reductions and although Memories recorded a solid performance on increased unit sales. The Storage Products business recorded a healthy performance centered on the HDDs and the LCD business recorded higher operating income reflecting progress in business restructuring.

Topics

(1) Establishment of the Integrated Storage Products business

In preparation for the advent of society with cloud-computing (a society handling large volumes of information through networks), Semiconductor & Storage Products Company was newly established, combining an in-house company in charge of HDD and enterprise SSD (storage products using NAND flash memories) with another in-house company in charge of NAND flash memories and SSD for personal computers in July 2011. The purpose of establishment of the in-house company is to enhance the Storage Products business which is expected to be more important. As the only company supplying NAND flash memory, SSD, and HDD, Toshiba will establish the integrated storage products business capable to quickly respond to changes in competitive environment, aiming to improve ability to develop products and expand sales.

(2) Expansion of the Storage Products business

In the Storage Products business including HDD and SDD, the Group has strived to enhance its competitiveness by improving performance and expanding storage capacity and product lineups.

The Group has promoted commercialization of products with larger storage capacity, for example, 2.5-inch type HDD with storage capacity of 1 terabyte which is suitable to notebook computers and televisions with recording function in August 2011, and 2.5-inch type HDD with storage capacity of 300 gigabytes, which is in the industry's largest class as a corporate product with 15,000 rpm in October 2011 (Company survey as of October 2011).

In February 2012, the Group announced that it entered into an agreement with Western Digital on acquisition of Western Digital's 3.5-inch type HDD manufacturing equipment and related intellectual property, and the transfer to Western Digital all shares of Toshiba Storage Device (Thailand) Co., Ltd., one of Toshiba's HDD manufacturing bases. With this agreement, it will be possible for the Group to enhance its ability to supply large-capacity HDD which can save energy consumption and costs, and of which market size is expected to expand. It will be also possible to provide all key storage solutions. Furthermore, the Group will establish a more efficient production system by concentrating production of HDD on a manufacturing base in Philippines and a subcontractor in China, in order to further enhance its cost competitiveness.

(3) Expansion of NAND flash memory business

Considering the NAND flash memories of which demand has continued to expand for smartphones and other mobile devices as a growing business, the Group is promoting use of finer lithography and larger storage capacity, and expanding production capacity.

The Company started to ship samples of NAND flash memories introducing 19 nanometer (nm) process technology for the first time in the world in April 2011 (Company survey as of April 2011), and to mass-produce them in September 2011. In 128-gigabit NAND flash memory which was commercialized in February 2012, the Company realized the world's fastest write speed (as 3-bit-per-cell chip product, Company survey as of February 2012) and the world's largest storage capacity and smallest die size (as 128 gigabit chip product, Company survey as of February 2012), using the Company's unique high-speed writing method and technology. In July 2011, the Group also started mass production of NAND flash memories at the 5th manufacturing facility in the Yokkaichi Operations.

The Group won The 30th Anniversary Special Award of "2011 Nikkei Superior Products & Service Awards", with NAND flash memories which drastically increased storage capacity per chip, enabled users to readily carry data, and contributed to diffusion of mobile terminals.

(4) Restructuring of the Semiconductor business

The Group has promoted the restructuring for the purpose of improving revenues from discrete devices and system LSIs, and achieving robust operations.

To be more specific, six domestic manufacturing bases will be integrated into three bases; Himeji Semiconductor Operations, Kaga Toshiba Electronics Corporation, and Buzen Toshiba Electronics Corporation. Remaining three bases, Kitakyushu Operations, Hamaoka Toshiba Electronics Corporation, and Toshiba Components, are scheduled to cease production in the first half of FY2012.

Three integrated bases will concentrate on production of high value-added products in order to enhance cost competitiveness.

(5) Business integration of the small and medium-sized LCD business

In March 2012, the Group integrated the small and medium-sized LCD business by transferring all shares of Toshiba Mobile Display Co., ltd. to Japan Display Inc. which is invested by Innovation Network Corporation of Japan (INCJ), Sony Corporation, Hitachi, Ltd. and Toshiba, and mainly operated by INCJ. Consequently, competitiveness of the business was reinforced by combining competitive cutting-edge technologies and using funds of INCJ for growth.

Social Infrastructure

Main businesses As of March 31, 2012
Nuclear power generation system, Thermal power generation system, Hydroelectric power generation system, Power transmission and distribution system, Instrumentation and control systems, Transportation equipment, Electrical machineries, Automatic railroad station equipment, Water supply and sewerage systems, Road equipment systems, Government systems, Broadcasting systems, Environmental systems, Electric wave products, Elevators, Escalators, IT solutions, Diagnostic X-ray systems, CT systems, MRI systems, Diagnostic ultrasound systems, Clinical analysis systems

Business overview

The Social Infrastructure segment saw overall sales increase by 135.1 billion yen to 2,412.8 billion yen. The Power Systems and Industrial Systems business recorded higher sales, mainly on a healthy performance in the Thermal & Hydro Power Systems and the positive effect contributed by the acquisition of Landis+Gyr AG. The Elevator and Building Systems business also saw higher sales. Overall segment operating income increased by 4.6 billion yen to 134.2 billion yen. The Power Systems and Industrial Systems business recorded higher operating income on higher sales and the IT solutions business also saw higher operating income.

Topics

(1) Enhancement of smart community business

In April 2011, the Group established Social Infrastructure System Company, integrating related businesses such as receiving and distribution of power, and power electronics (power conversion and controlling technology), in order to vigorously strengthen total solution marketing on social infrastructure systems centering on the Smart Community business.

In July 2011, the Group acquired shares of Landis+Gyr A.G. to make it Toshiba's subsidiary. Landis+Gyr produces and sells smart meter (next-generation electrical meter with communication function) with excellent sales network all over the world. The Group transferred 40% of shares of Landis+Gyr's holding company to Innovation Network Corporation of Japan (INCJ). Accordingly, the Group has held a 60% stake in Landis+Gyr.

This accelerates the global development of the Smart Community business by combining strength of Landis+Gyr and Toshiba Group. As a result, in Smart Grid (next-generation power network) system in the city of Rome, for which order was received by the Group, smart meter of Landis+Gyr will be adopted as a key component.

The Group also has proactively participated in over 25 projects overseas and in Japan to address demonstration and commercialization of Smart Grid and Smart Community, for example, Yokohama Smart City Project, demonstration project in the city of Lyon in France, and feasibility study in Gongquingcheng, Jiangxi in China.

(2) Promotion of use of renewable energy

With increasing environmental awareness worldwide, Toshiba has promoted an expansion of the power generation systems business using renewable energy.

As the Group's technological ability of geothermal power generator has been highly appreciated all over the world, the Group has accounted for the largest market share, 25% (Company survey as of March 2010), in terms of facility capacity. In the fiscal year under review, the Group received orders for power generating facilities from Olkaria Geothermal Power Plant in Kenya and Patuha Geothermal Power Plant in Indonesia.

In terms of the number of operating mega-solar power generation plants for use by electric power companies, the Group accounted for 46.6%, the largest market share in Japan (Company survey as of January 2012). Based on such track record, the Group plans to participate in a mega-solar power generation plant project including 500-kilowatt power conditioners (a device which converts DC power from solar batteries to AC power that can be used at homes) with the industry's highest conversion efficiency at 97.7% (Company survey as of October 2011) in the nation's largest solar and wind power generation plant project in Tahara city, Aichi. Furthermore, the Group commercialized solar photovoltaic systems; one with the world's top-level conversion efficiency of 18.3% (in combination of module and power conditioning; Company survey as of February 2012), and the other can charge storage-batteries in preparation for power outage.

In May 2011, forming business alliance for co-development and marketing of wind power generators with Korea's Unison Co., Ltd, the Group entered into the wind-power generation system business.

(3) Orders from foreign countries in the thermal power generation business, and establishment of the overseas production system

In overseas markets, especially emerging markets, Toshiba is working on establishment of the overseas production system, continuing activities to receive orders for thermal power generation equipment.

In February 2012, Toshiba JSW Turbine and Generator Pvt. Ltd. inaugurated its new steam turbine and generator manufacturing facility in India, which established a integrated system from designing and production to installation in India. As this integrated system was highly appreciated, as well as high performance and reliability of Toshiba's equipment, Toshiba JSW received an order for coal-fired supercritical steam turbine and generators for the Kudgi Super Thermal Power Project.

(4) Nuclear power business

The Group is giving first priority in cooperation with the government, Tokyo Electric Power Co. Inc. and others to stabilize the situation in Fukushima Nuclear Power Plant which was caused by the Great East Japan Earthquake.

The U.S. Nuclear Regulatory Commission (NRC) certified the AP1000®, a new pressurized-water reactor designed by Westinghouse Electric Company, our consolidated subsidiary. The NRC also approved construction and operating licenses for total four nuclear reactors at the Vogtle Nuclear Power Plant and the V. C. Summer Nuclear Station which have adopted AP1000®. Accordingly, the Group will be engaged in the construction of new nuclear power plants which will be the first time in 34 years in U.S. In China, four units of AP1000® are under construction at Sanmen Nuclear Power Station and Haiyang Nuclear Power Plant. Preparation of mission-critical equipment is proceeding smoothly, for example, completion of certification test of primary coolant pumps for Sanmen No. 1 unit.

Forecasting continuous demand for nuclear power in terms of energy security and a reduction in carbon dioxide emissions, the Group will strive to ensure and further improve safety of nuclear power plants.

(5) Global development of the Power Transmission & Distribution System business

The Company has enhanced the global operation in relation to the Power Transmission & Distribution System business including equipment for transmission, transformation and distribution of electric power. In June 2011, the Company acquired TopRank Corporation Sdn. Bhd. (TRC), a Malaysian company engaged in manufacture and sales of transmission & distribution equipment, to make TRC Toshiba's subsidiary in order to use it as a core base in Southeast Asia. TRC was renamed as Toshiba Transmission & Distribution Systems Asia Sdn. Bhd.

In September 2011, Toshiba also entered into an agreement with Power Machines , Russia's leading supplier of turbine and power generation equipment on the establishment of a sales and manufacturing joint venture company (JV) for power transformers, with an eye to enhancing the Power Transmission & Distribution System business in territories of the former Soviet Union. The JV started constructing a manufacturing facility in St. Petersburg.

(6) Expansion of new businesses such as Power Electronics and Rechargeable Battery, etc.

In an attempt to expand businesses such as rechargeable batteries and power electronics which could realize efficient use of electric power by controlling power conversion, the Group has promoted development and launch of products which would achieve the eco-friendly society, using technologies to reduce environmental burdens. The Group constructed an inverter mass production line for hybrid vehicles of the Ford Motor Company in June 2011, and developed inverters for railroad vehicles which achieved downsizing, using SiC (silicon carbide) semiconductors in December 2011.

The Group has proactively promoted sales activities for rechargeable battery SCiB™ with long service life, rapid charge-discharge ability, and high safety performance, aiming to expand fields in which SCiB™ is used. As a result, SCiB™ has been used for "i-MiEV" etc. of Mitsubishi Motors Corporation as electric vehicle battery, and is scheduled to be supplied for "Fit EV" of Honda Motor Co., Ltd. which is marketed mainly in U.S.

(7) Promotion of the Healthcare business

The Group has accelerated expansion of the Healthcare business which is expected to grow, for example, by enhancing approaches to therapeutic areas.

In April 2011, Aquilion™/CXL Edition was commercialized, which is a multislice CT that achieved a reduction of radiation exposure up to 75% by incorporating cutting edge technologies developed by the Group, and can quickly display high-definition images.

In June 2011, the Group acquired all shares of US's Vital Image Inc. engaged in diagnostic imaging and analysis software, and image display software businesses. With this acquisition, the Group will enhance the Medical Image Solutions business in the global market.

In December 2011, the Group received an order from Kanagawa Cancer Center for heavy particle radiotherapy equipment which reduces burdens on patients by sending radiation intensively to cancer cell. This equipment has incorporated the technology to realize efficient and highly accurate delivery of radiation. For example, the technology reduced time of positioning to 8 minutes on average, and improved the accuracy in positioning to 0.5 mm or less. The equipment also adopted the design pursuing the reduction of physical and mental burdens on patients, and business supports for medical staff. This design won the Good Design Award, adopted in a next-generation irradiation system for National Institute of Radiological Sciences.

Home Appliances

Main businesses	As of March 31, 2012
Refrigerators, Washing drying machines, Washing machines, Kitchen appliances, Vacuum cleaners, Light bulbs, LED lights, Light fixtures, Industrial light parts, Air-conditioners, Compressors	

Business Overview

The Home Appliances segment saw overall sales decrease by 23.0 billion yen to 576.8 billion yen. The Lighting Systems business recorded a healthy performance, mainly on LEDs, stimulated by concerns to save power. However, the White Goods business saw lower unit sales as a result of the floods in Thailand and the expiration of Japan's eco-point stimulus program.

Overall segment operating income decreased by 3.1 billion yen to 5.7 billion yen. Even though the Lighting Systems business recorded a strong performance centered on LEDs, the White Goods business felt the impact of lower sales.

Topics

(1) Expansion of overseas business development

With the expanding markets of emerging economies, the Group has proactively promoted overseas development of the Home Appliances segment, striving to improve competitiveness in the global market. The Group started constructing a manufacturing facility for washing machines in Indonesia where demand is expected to largely grow, and plans to enhance manufacturing bases for refrigerators and washing machines in Thailand and China.

Parts of Group's manufacturing bases, which had ceased operations due to impacts of the flood in Thailand which occurred in October 2011, have sequentially resumed the operations since January 2012.

(2) Development and sales of energy-saving products

The Group has expanded its lineup of energy-saving and highly efficient LED lights. In October 2011, "Multicolor LED Ceiling Light" was commercialized, which can change color of lights, combining five LED lights in different colors.

In the Energy Conservation Award, Universal Smart X, an air-cooled heat-pump system, won Minister's Prize, The Ministry of Economy, Trade and Industry in recognition of achieving energy saving by 31% compared to conventional products with high operation efficiency. VEGETA series refrigerators which reduce power consumption by 40% on average at time of defrosting, and electric fan "SIENT" with DC motor which reduces power consumption by 54% compared to conventional products respectively won Chairman's Prize, The Energy Conservation Center, Japan.

Others

Main businesses	As of March 31, 2012
Logistics service	

Business Overview

Others saw sales decrease by 8.1 billion yen to 326.9 billion yen while it's operating income improved by 2.2 billion yen to 2.9 billion yen.

Topics

Reorganization of Toshiba Finance Corporation

As part of business structure transformation, Toshiba Finance Corporation transferred its corporate financial services business to IBJ Leasing Co., Ltd. through spinning off and transfer of shares. Following the spin-off, Toshiba acquired shares of Toshiba Finance to make its wholly-owned subsidiary.

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Measures in Response to the Great East Japan Earthquake and Reconstruction support activities

The Group has been committed to contribution to reconstruction of areas hit by the Great East Japan Earthquake and Japan. The Group started emergency support activities immediately after the occurrence of the Great East Japan Earthquake, and has been not only involved in recovery works but also in the reconstruction assistance including social infrastructures. It has also vigorously promoted support activities for stable power supply, etc. Although the restoration from the unprecedented disaster cannot be achieved in a short space of time, we intend to make continuous contributions toward new development of disaster areas and Japan.

1. The support activities for reconstruction from the Great East Japan Earthquake

The Group voluntarily supported restoration of fishing industry through provision of fishing boats and other measures, provided the Group's products, and made contributions equivalent to 1 billion yen. The Group donated total 500 million yen to provide scholarship for university students.

Using abundant expertise in the social infrastructures field, the Group has proposed Smart Community to reconstruct communities through fundamental restructuring of social infrastructures. In Ishinomaki city, Miyagi prefecture, the creation of a community has been proposed, in which life lines are reinforced to enable residents to live at disaster-prevention facilities for some days at the time of disaster.

In February 2012, the Tohoku Recovery Promotion Division was established. Assigning personnel to the neighborhood of the disaster-hit areas, the Division comprehends local characteristics and needs, and contributes to the creation of communities based on the Smart Community concept in close cooperation with each local community.

2. Efforts for stable power supply

In order to eliminate a shortage in power supplying capability and ensure stable power supply, the Group conducted the following measures: support for early recovery of thermal power plants and electric transmission and transformation facilities hit by the disaster; cooperation to early resume operation of thermal power plants which had been under periodical inspection or out of service; and delivery of gas turbine and generators. As a result, the Group could contribute to recovery of about 11 million kilowatt within the jurisdictions of Tokyo Electric Power Company and Tohoku Electric Power Company. The Group is also committed to diffusion of power generation with renewable energy. In December 2011, Hachinohe Mega-solar Power Station of Tohoku Electric Power Company started commercial operation, to which the Group supplied related equipment.

The Group is giving first priority in cooperation with the government, Tokyo Electric Power Co. Inc. and others to ensure safety of Fukushima Nuclear Power Plant and to quickly respond to environmental contamination with radioactive substances. To be more specific, the Group developed "Portable Gamma Camera" to realize more efficient decontamination works by visualizing the level of radiation quantity with difference in colors. The Group started full-scale operation of "SARRY™", a water processing system to process and decontaminate water, etc. containing radioactive cesium, developed "SARRY-Soil™", a mobile equipment to decontaminate soil, etc., and co-developed "SARRY-Aqua", a mobile water processing system which is a downsized version of "SARRY™", with IHI Corporation.

(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 Ordinance for Enforcement of the Companies Act.
2. Toshiba's Consolidated Financial Statements are based on U.S. generally accepted accounting principles ("GAAP") pursuant to the provision of Article 120, Paragraph 2 of the Ordinance on Accounting of Companies. Operating income (loss) is derived by deducting the cost of sales and selling, general and administrative expenses from net sales, and reported as a measurement of segment profit or loss. This result is regularly reviewed to support decision-making in allocations of resources and to assess performance. Some items that are classified as operating income (loss) under U.S. GAAP, such as restructuring charges and gains (losses) from the sales or disposal of fixed assets, may be presented as non-operating income (loss).
3. The Group indicated a "net income (loss) attributable to shareholders of the Company" under the U.S. GAAP as the net income (loss).
4. The Mobile Broadcasting Corporation and the Mobile Phone business have been classified as discontinued operations in the consolidated accounts, in accordance with Accounting Standards Codification No. 205-20, "Presentation of Financial Statements - Discontinued Operations". Performances of these businesses are excluded from consolidated net sales, operating income (loss), and income (loss) from continuing operations before income taxes and non-controlling interests. The Group's net income (loss) is calculated by adjusting income (loss) from continuing operations before income taxes and non-controlling interests with performances of these businesses. The Company changed the structure of its internal organization in FY2011. Prior-period data relating to the consolidated segment information has been reclassified to conform to the current classification.

   In accordance with the reclassification of the HDD business and ODD business from the Digital Products to the Electronic Devices in July 2011, the data of the fiscal year ended March 31, 2012 was reclassified dating back to April, 2011.

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(2) Management Policy of Toshiba Group (Issues to be addressed)

Conditions in the global business environment remain unclear, including continuing impacts from the Great East Japan Earthquake, the floods in Thailand, the financial uncertainty in European countries and the sharp fluctuations in foreign exchange rates. In these circumstances, Toshiba Group will continue to promote business restructuring aimed at establishing a business structure resistant to environmental changes and able to secure high profitability, and will also strongly promote business structure transformation toward establishing new profit bases, as indicated below.

(1) Business structure transformation

In order to secure profit and future growth, the Group will continue to expand and reinforce its business in growing economies, accelerate enhancement of its focus businesses for future growth and promote creation of World's first and World No.1 products and services.

As progress is made in the shift to big data and ubiquitous networks, the Group will establish cloud service platforms by developing advanced information and communications technology in collaboration with partners and also seek to develop infrastructure to support its business deployment and competitiveness.

1) Acceleration and enhancement of focus businesses for future growth

- The integrated storage business

  The Group will provide solutions beyond stand-alone products with a wide line-up that includes NAND flash memories, high-end SSDs and HDDs.

- The Smart Community business

  The Group will propose total solutions for urban development, including energy, information, security, water, traffic and medical care, based on cloud service platforms supporting optimal management of big data on integrated networks.

- The Power Electronics and EV businesses

  The Group will accelerate the traffic solutions business with essential products for optimizing energy usage, including high efficiency motors, power saving inverters and SCiB™.

- The Renewable Energy business

  The Group will provide optimal energy solutions by expanding its line-up, including in geothermal power, solar photovoltaic power, small- and medium-sized hydroelectric power and wind power systems.

- The Healthcare business
  The Group will strengthen its medical systems business by integrating the strengths of the Group and by expanding the medical treatment area and IT-technology based solutions area, in addition to the diagnositc imaging products business.

- The integrated Digital Products and Services business
  The Group will strongly develop products integrating visual and PC technologies and expand network-based content and services business, including e-books.

2) Creation of World’s first and World No. 1 products and services

The Group will aim to create new business fields ahead of its competitors with attractive World’s first products and services that achieve high profitability and with products and services that continue to secure the World No. 1 share. In order to accelerate the innovation required to support these goals, the Group will promote the establishment of a business structure that promotes diversity in human resources and concentrate research expenditure on new business fields.

3) Business expansion in emerging economies
In emerging economies with high growth rates, Toshiba will seek to raise its brand value through synergies from the launch of regionally-matched products and by strengthening the expansion of advertising. The Company will also seek to expand sales with profit by enhancing business bases, including sales and marketing channels, and also by increasing the number of overseas sales staff.

(2) Business restructuring

The Group will promote business restructuring aimed at securing positive income in all businesses and high profitability, further assure efficient operations and effective use of properties and continue to channel major resources to growth fields.

The Group has reduced fixed expenses by a total of 1.5 trillion yen over the past three years and will also reduce variable costs, including the cost of procurement and logistics, by expanding global procurement and securing multiple suppliers for key materials and components. In addition, the Group will establish an optimal global production and procurement structure to counter yen appreciation and consolidate and optimize facilities in domestic and overseas markets; The Group will also promote thorough inventory management and secure financial resources that allow it to respond to sovereign risks in some European countries. Through these measures, the Group will strengthen business structure and business continuity management.

(3) Strategies by segment

On the basis of these group-wide policies, the Group will execute growth strategies by segment.

1) Digital Products

The Group aims to secure positive operating income in the Visual Products business by continuing the launch of regionally-matched products in emerging economies, expanding advertising, strengthening retail sales and expanding sales of high value products by increasing sales channels.

The Group will promote B2B business in addition to business in consumer markets by integrating the hardware business with the software business, including services, solutions and content.

2) Electronic Devices

The Group will promote steady development and competitive products launches by increasing the human resources assigned to development. It will develop next generation NAND flash memories ahead of competitors; expand its share in CMOS sensors for digital cameras by achieving low power consumption, high image quality sensor technology; and aim to strengthen profitability in Discretes by securing high growth in the power device market. It will seek to further increase profit by redefining its product line-up through standardization, promoting expansion in emerging economies and consolidating and optimizing facilities.

3) Social Infrastructure

The Group aims to secure optimal business expansion by allocating resources to overseas facilities and accelerating the expansion of local production for local consumption, and thereby enhancing business bases deeply rooted in local markets. The Group will contribute to the recovery from the Great East Japan Earthquake and promote renewable energy businesses and continue to create profit by expanding its product line-up for energy solutions and services. In the Nuclear Energy business, the Group will continue to support the stabilization of Fukushima Daiichi nuclear power plant, and promote marketing of leading-edge nuclear power plants, as well as the development of future generations of nuclear power plants.

4) Home Appliances

The Group will expand the White Goods business overseas by channeling major resources on growing emerging markets and by launching localized products, aiming at a significant increase in sales, and also expand the LED business with enhanced competitiveness.

(4) CSR and environmental management

Toshiba Group will continue to push forward with environmental management as one of the world's foremost eco-companies. The Group will steadily implement environmental action plans by creating highly environmentally-friendly products, expanding business globally with advanced low carbon technology and achieving a world-leading eco-friendly business structure.

The Group will continue to support private-sector activities, employment and medical treatment, industrial development and personnel training in the region hit by the Great East Japan Earthquake on a mid- and long-term basis.

Even though severe business conditions continue, the Group will continue to implement the business transformation necessary to establish a business structure that can secure high profitability. Further to this, it will promote business transformation in order to build foundations for new profit bases by encouraging imagination and the multiplier effect of innovation, and will take on the challenge of becoming an even stronger global contender. We look forward to continuing support of shareholders.

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

(1) The Group (Consolidated)

Item	170th Period	171st Period	172nd Period	173rd Period (current period)
	FY2008	FY2009	FY2010	FY2011
Net Sales (Billions of yen)	6,512.7	6,291.2	6,398.5	6,100.3
Net income (loss) (Billions of yen)	(343.6)	(19.7)	137.8	73.7
Net income (loss) per share (Yen)	(106.18)	(4.93)	32.55	17.40
Total Assets (Billions of yen)	5,453.2	5,451.2	5,379.3	5,731.2

Note: Mobile Broadcasting Corporation and the Mobile Phone business have been classified as discontinued operations in the consolidated accounts in accordance with Accounting Standards Codification No.205-20, “Presentation of Financial Statements – Discontinued Operations”. Performances of these businesses are excluded from consolidated net sales. Toshiba Group’s net income (loss) is calculated by reflecting these business results to income (loss) from continuing operations, before income taxes and noncontrolling interests.

Net income (loss) attributable to shareholders of the Company in accordance with U.S. GAAP is presented as Net income (loss) in this section.

(2) The Company (Non-consolidated)

Item	170th Period	171st Period	172nd Period	173rd Period (current period)
	FY2008	FY2009	FY2010	FY2011
Net Sales (Billions of yen)	3,213.8	3,382.8	3,591.0	3,209.0
Net income (loss) (Billions of yen)	(123.2)	(130.8)	105.4	39.2
Net income (loss) per share (Yen)	(38.07)	(32.66)	24.88	9.26
Total Assets (Billions of Yen)	3,546.0	3,596.2	3,678.2	3,897.7

3. The Company’s Policy on Decisions of Dividends, etc.

While giving full consideration to such factors as the strategic investments necessary to secure medium- to long-term growth, the Company 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.

Toshiba has decided to pay both an interim dividend and a year-end dividend. Toshiba paid 4.0 yen per share as the interim dividend and the year-end dividend has been set at 4.0 yen per share. As a result, the annual dividend for FY 2011 will be 8.0 yen per share, 3 yen increase per share from the previous year.

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4. Outline of Main Group Companies As of March 31, 2012

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
Digital Products	Toshiba TEC Corporation	39,971 (Millions of yen)	53.0	Development, design, manufacture, sales, and maintenance of retail information systems and office equipment	Shinagawa-ku, Tokyo
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 and social infrastructure & industrial systems	Yokohama
	Toshiba Elevator and Building Systems Corporation	21,408 (Millions of yen)	80.0	Development, design, manufacture, sales, installation, maintenance, repair and renewal of elevators and escalators, and total management of building-related facilities	Shinagawa-ku, Tokyo
	Toshiba Solutions Corporation	23,500 (Millions of yen)	100.0	Consultation, building, development, design, sales, maintenance, operation and management of IT solutions. Provision of related engineering work and outsourcing services	Minato-ku, Tokyo
	Toshiba Medical Systems Corporation	20,700 (Millions of yen)	100.0	Development, design, manufacture, sales and maintenance of medical equipment/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	U.S.
	Toshiba Nuclear Energy Holdings (UK) Ltd.	1,400,000 (Thousands of U.S. dollars)	67.0	Holding company of nuclear power business	U.K.
Home Appliances	Toshiba Consumer Electronics Holdings Corporation	14,500 (Millions of yen)	100.0	Holding company which controls, manages and supports Group companies belonging to the Home Appliances segment	Chiyoda-ku, Tokyo
Others	Toshiba America, Inc.	1,002,550 (Thousands of U.S. dollars)	100.0	Holding company of operating companies in the U.S.	U.S.
	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 554 consolidated subsidiaries (including the 10 companies above) in accordance with Generally Accepted Accounting Standards in the U.S., and 196 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 L.L.C.

3. The Group transferred all issued shares of Toshiba Mobile Display Co., Ltd. to Japan Display Inc. as of March 2012. As a result, Toshiba Mobile Display Co., Ltd. is no longer Main Group Company of Toshiba Group.

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5. Shares and Stock Acquisition Rights of the Company As of March 31, 2012

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

(2) Total Number of Issued Shares: 4,237,602,026

(3) Total Number of Shareholders: 457,467

(4) Principal Shareholders

Name of Shareholder	Number of shares (in thousands)	Shareholding ratio (Percentage)
The Master Trust Bank of Japan, Ltd. (Trust accounts)	248,733	5.9
Japan Trustee Services Bank, Ltd. (Trust accounts)	236,671	5.6
The Dai-ichi Life Insurance Company, Limited	115,159	2.7
Nippon Life Insurance Company	110,352	2.6
SSBT OD05 OMNIBUS ACCOUNT – TREATY CLIENTS	97,251	2.3
Toshiba Employees Shareholding Association	93,609	2.2
Japan Trustee Services Bank, Ltd. (Trust accounts No. 9)	83,253	2.0
Japan Trustee Services Bank, Ltd. (Trust accounts No. 4)	63,595	1.5
NIPPONKOA Insurance Company, Ltd.	51,308	1.2
Sumitomo Mitsui Banking Corporation	51,003	1.2

For the purpose of calculation of shareholding ratio, treasury shares are excluded from total number of issued shares (denominator).

(5) Shareholding Ratio by Categoryr:

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	38.9	1.6	3.8	23.7	0.0	32.0

For the purpose of calculation of shareholding ratio, treasury shares are excluded from total number of issued shares (denominator).

(6) Stock Acquisition Rights:

The exercise period of the stock acquisition rights attached to Zero Coupon Euro-yen Convertible Bonds Due 2011 (issued on July 21, 2004) expired in July 2011.

6. Main Lenders of the Group As of March 31, 2012

Lender	Loans Outstanding (Billions of yen)
Sumitomo Mitsui Banking Corporation	88.2
Mizuho Corporate Bank, Limited	84.8
The Bank of Tokyo-Mitsubishi UFJ, Limited	60.2

7. Financing of the Group

The funds for capital investment and others are appropriated mainly from own funds and borrowings, etc.

The Company raised funds of 82.3 billion yen and 1.28 billion U.S. dollars in July 2011, and 32 billion yen and 0.6 billion U.S. dollars in March 2012 with a syndicate loan for capital for acquisition of Landis+Gyr. In March 2012, the Company also raised funds of 150 billion yen with a syndicate loan.

8. Capital expenditure of the Group

(Billions of yen)

Segment	Capital Expenditures (Ordering Basis)
Digital Products	12.8
Electronic Devices	149.6
Social Infrastructure	68.7
Home Appliances	18.5
Others	23.8
Total	273.4

	Segment	Outline of P.P.E.
Major P.P.E. completed during the term	Electronic Devices	• Manufacturing building, building interior, power equipment and manufacturing facilities for NAND flash memory (the Company's Yokkaichi Operations)
	Social Infrastructure	• Manufacturing building and facilities for steam turbine and generator for thermal power plant (India)
Major P.P.E. ordered during the term	Electronic Devices	• Manufacturing facilities for NAND flash memory (the Company's Yokkaichi Operations) • Manufacturing facilities for hard disk drives (Philippines)
	Social Infrastructure	• Manufacturing facilities for steam turbine and generator for thermal power plant (India)
	Home Appliances	• Manufacturing building and facilities for washing machine (Indonesia)

In relation to capital investment during FY2011, the Group carefully select projects in fields in which growth are expected, forecasting changes in the market while placing importance on efficiency of investment. As a result, capital expenditure on an ordering basis amounted to 273.4 billion yen, which was 101.6 billion yen lower than the initial capital investment plan of 375 billion yen. Compared with the 334 billion yen invested last fiscal year, this is a decrease of 60.6 billion yen.

In the segment of electronic devices, while continuing its focus on investment for NAND flash memories for which increased demand is expected, the Group invested in manufacturing facilities, etc. for HDD. In the segment of social infrastructure, the Group invested in manufacturing facilities, etc. for steam turbine and generator for thermal power station in response to expansion of demand for electric power mainly in emerging economies. In the segment of home appliances, the Group invested in manufacturing building and facilities for washing machine.

The above capital expenditure includes the Group's portion in the investments made by Flash Forward, Ltd. and other affiliates accounted for by the equity method.

The Group also entered into an agreement with Western Digital Corporation on Toshiba's acquisition of certain of Western Digital's 3.5-inch HDD manufacturing equipment and others.

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

As of March 31, 2012

		Responsibility	Status of important concurrent holding of positions
Chairman of the Board and Director	Atsutoshi Nishida	Member of the Nomination Committee, Member of the Compensation Committee	➢ Chairman, JAPAN TRAVEL AND TOURISM ASSOCIATION ➢ Chairman, Japan Association of Defense Industry ➢ Chairman, Japan Institute of Logistics Systems
Director	Norio Sasaki	Member of the Compensation Committee	
Director	Masashi Muromachi		
Director	Hidejiro Shimomitsu		
Director	Hisao Tanaka		
Director	Hideo Kitamura		
Director	Makoto Kubo		
Director	Toshiharu Watanabe		
Director	Fumio Muraoka	Chairman of the Audit Committee	
Director	Hiroshi Horioka	Member of the Audit Committee	
Outside Director	Hiroshi Hirabayashi	Chairman of the Compensation Committee Member of the Audit Committee	➢ Outside Director, Mitsui & Co., Ltd. ➢ Outside Director, Daiichi Sankyo Company, Limited ➢ Outside Director, NHK Promotions Inc. ➢ President, THE JAPAN-INDIA ASSOCIATION Public Interest Incorporated Foundation
Outside Director	Takeshi Sasaki	Chairman of the Nomination Committee, Member of the Audit 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 ➢ Outside Director, ORIX Corporation ➢ President of National Land Afforestation Promotion Organization ➢ Outside Director, East Japan Railway Company ➢ Chairman of Labo International Exchange Foundation

		Responsibility	Status of important concurrent holding of positions
Outside Director	Takeo Kosugi	Member of the Nomination Committee Member of the Audit Committee Member of the Compensation Committee	➢Partner & Attorney-at-law, Matsuo & Kosugi ➢Outside Auditor, Nihon Servier Co. Ltd ➢Outside Auditor, Fujifilm Holdings Corporation ➢Supervisory Director, Mori Hills REIT Investment Corporation

(Notes) 1. Six (6) Directors, Messrs. Masao Namiki, Ichiro Tai, Yoshihiro Maeda, Kazuo Tanigawa, Shigeo Koguchi and Kiichiro Furusawa (Outside Director) left their office due to expiration of their respective terms at the close of the Ordinary General Meeting of Shareholders for the 172nd fiscal period held on June 22, 2011.

2. Five (5) directors, Messrs. Hidejiro Shimomitsu, Hisao Tanaka, Hideo Kitamura, Makoto Kubo and Toshiharu Watanabe were newly elected and assumed office at the Ordinary General Meeting of Shareholders for the 172nd fiscal period.

3. Chairman of the Audit Committee, Mr. Fumio Muraoka, has long taken charge of accounting and finance and has considerable knowledge about financial affairs and accounting.

4. Three (3) Outside Directors, Messrs. Hiroshi Hirabayashi, Takeshi Sasaki and Takeo Kosugi are independent directors provided for in Article 436-2 of the Security Listing Regulations of the Tokyo Stock Exchange, etc.

5. The following changes occurred as of April 2012.

		Responsibility	Status of important concurrent holding of positions
Chairman of the Board and Director	Atsutoshi Nishida	Member of the Nomination Committee, Member of the Compensation Committee	➢ Chairman, JAPAN TRAVEL AND TOURISM ASSOCIATION ➢ Chairman, Japan Association of Defense Industry ➢ Chairman, Japan Institute of Logistics Systems ➢ Chairman, Optoelectronics Industry and Technology Development Association

6. The Labo International Exchange Foundation, where Outside Director Mr. Takeshi Sasaki serves as a chairman, was reorganized to public interest incorporated foundation as of April 2012.

7. Status of important concurrent holding of position of directors who concurrently serve as executive officers are written in a table of “(3) Executive Officers”, if any.

(2) Outside Directors

1) Relationship between the Company and entities at which outside directors hold important concurrent positions

The Company has an ongoing business relationship with Mitsui & Co., Ltd., East Japan Railway Company and the Fujifilm Group which consists of Fujifilm Holdings Corporation and its subsidiaries. In addition, Mitsui & Co., Ltd. is contributing the Company’s shares to a retirement benefit trust. The Company is contributing the shares of Mitsui & Co., Ltd.to a retirement benefit trust.

In the cases above, there is no materiality that may affect the independence of outside directors.

There is no relationship to be disclosed between the Company and other entities at which outside directors hold important concurrent positions.

2) Main Activities

During the FY2011, the Board of Directors met 15 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
Hiroshi Hirabayashi	Attended the meeting of the Board of Directors 13 times and that of the Audit Committee 11 times. Commented as necessary based on his wealth of experience and knowledge as an ex-diplomat including audits ambassador of diplomatic offices overseas.
Takeshi Sasaki	Attended the meeting of the Board of Directors 13 times and that of the Audit Committee 8 times out of 9 times after June 22, 2011 when he was elected as a member of the Audit Committee. Commented as necessary based on his wealth of experience and knowledge as a specialist of political science and an administrator of a university.
Takeo Kosugi	Attended the meeting of the Board of Directors 15 times and that of the Audit Committee 13 times. Commented as necessary based on his wealth of experience and knowledge as a specialist in law.

3) Limited Liability Contracts

The Company has signed a limited liability contract with each of the three Outside Directors, Messrs. Hiroshi Hirabayashi, Takeshi Sasaki and Takeo Kosugi, to limit their liabilities as provided in Article 423, Paragraph 1 of the Companies Act to 31.2 million yen or the minimum liability amount stated in Article 425, Paragraph 1 of the Companies Act, whichever is larger.

(3) Executive Officers

		Responsibility	Status of important concurrent holding of positions.
Representative Executive Officer President and Chief Executive Officer (*)	Norio Sasaki		

		Responsibility	Status of important concurrent holding of positions.
Representative Executive Officer Corporate Senior Executive Vice President (*)	Masashi Muromachi	➢ Support of the President ➢ Managing Director, the New Lighting Systems ➢ Managing Director, the Cloud and Solutions ➢ General Executive, Strategic Planning & Communications Group ➢ Group Executive, Facilities Optimization Div. ➢ General Executive, Information & Security Group	Chairman, Toshiba Dalian Co., Ltd.
Representative Executive Officer Corporate Senior Executive Vice President (*)	Hidejiro Shimomitsu	➢ Support of the President ➢ Responsible for the Digital Products Group	Outside Director, Toshiba TEC Corporation
Representative Executive Officer Corporate Senior Executive Vice President (*)	Hisao Tanaka	➢ Support of the President ➢ Group Executive, Quality Division ➢ General Executive, Procurement & Logistics Group ➢ General Executive, Productivity & Environment Group	Chairman, Taiwan Toshiba International Procurement Corporation Chairman, Toshiba Hangzhou Co., Ltd.
Representative Executive Officer Corporate Senior Executive Vice President (*)	Hideo Kitamura	➢ Support of the President ➢ Responsible for the Social Infrastructure Group ➢ Project Manager, the Workplace Innovation Project Team ➢ General Executive, Legal Affairs Group ➢ General Executive, the Export Control Group	
Representative Executive Officer Corporate Executive Vice President (*)	Makoto Kubo	➢ General Executive, Finance & Accounting Group	
Executive Officer Corporate Executive Vice President	Yoshihide Fujii	➢ Corporate Representative-Americas	Chairman and CEO, Toshiba America, Inc.
Executive Officer Corporate Executive Vice President	Shozo Saito	➢ Responsible for the Electronic Devices & Components Group ➢ Managing Director, Materials & Devices	Chairman, Reliability Center for Electronic Components of Japan
Executive Officer Corporate Executive Vice President (*)	Toshiharu Watanabe	➢ Managing Director, the Smart Community ➢ General Executive, the Marketing Group	
Executive Officer Corporate Executive Vice President	Yasuharu Igarashi	➢ President and CEO of the Power Systems Company of Toshiba	President, TSB Nuclear Energy Investment US Inc.

		Responsibility	Status of important concurrent holding of positions.
Executive Officer Corporate Executive Vice President	Akira Sudo	➢ Group Executive, Innovation Division ➢ General Executive, Technology & Intellectual Property Group	Chairman, LOW-POWER ELECTRONICS ASSOCIATION & PROJECT
Executive Officer Corporate Senior Vice President	Kazuyoshi Yamamori	➢ Group Executive, Corporate Social Responsibility Div.	
Executive Officer Corporate Senior Vice President	Kiyoshi Kobayashi	➢ President and CEO of the Semiconductor & Storage Products Company of Toshiba	
Executive Officer Corporate Senior Vice President	Toshio Masaki	➢ President and CEO of the Social Infrastructure Systems Company of Toshiba	
Executive Officer Corporate Senior Vice President	Masaaki Osumi	➢ President and CEO of the Digital Products & Services Company of Toshiba	
Executive Officer Corporate Senior Vice President	Shoji Yoshioka	➢ Corporate Representative - Asia	President and CEO, Toshiba Asia Pacific Pte .,Ltd.
Executive Officer Corporate Senior Vice President	Hiroshi Saito	➢ General Manager of the Export Control Division	
Executive Officer Corporate Senior Vice President	Shigenori Shiga	➢ Executive Vice President of the Power Systems Company of Toshiba	

		Responsibility	Status of important concurrent holding of positions.
Executive Officer Corporate Senior Vice President	Masayasu Toyohara	➢ Responsible for the Consumer Electronics Group	President and CEO, Toshiba Consumer Electronics Holdings, Inc.
Executive Officer Corporate Vice President	Koji Iwama	➢ Corporate Representative - Europe	President and CEO, Toshiba of Europe Limited Chairman, Toshiba Research Europe Ltd.
Executive Officer Corporate Vice President	Masakazu Kakumu	➢ Executive Vice President of the Semiconductor & Storage Products Company of Toshiba	
Executive Officer Corporate Vice President	Yasuhiro Shimura	➢ General Manager, the Marketing Planning Division	President and CEO, Toshiba Marketing Consultant
Executive Officer Corporate Vice President	Munehiko Tsuchiya	➢ Executive Vice President of the Social Infrastructure Systems Company of Toshiba	
Executive Officer Corporate Vice President	Masazumi Yoshioka	➢ General Manager, the Chubu Branch Office	
Executive Officer Corporate Vice President	Hiroshi Igashira	➢ General Manager, the Corporate Audit Division	
Executive Officer Corporate Vice President	Hironobu Nishikori	➢ Executive Vice President of the Semiconductor & Storage Products Company of Toshiba	
Executive Officer Corporate Vice President	Makoto Hidejima	➢ Executive Vice President of the Semiconductor & Storage Products Company of Toshiba	
Executive Officer Corporate Vice President	Teruo Kiriyama	➢ Corporate Representative - China	Chairman, Toshiba China Co., Ltd.
Executive Officer Corporate Vice President	Osamu Maekawa	➢ Chief Technology Executive and Chief Quality Executive of Power Systems Company of Toshiba ➢ General Manager, Power and Industrial Systems Research and Development Center	Outside Auditor, Toshiba Plant Systems Inc.
Executive Officer Corporate Vice President	Yasuo Naruke	➢ Vice President, Memory Div., Semiconductor & Storage Products Company of Toshiba	
Executive Officer Corporate Vice President	Shigenori Tokumitsu	➢ Executive Vice President of Digital Products and Services Company of Toshiba	Chairman, TOSHIBA EL ARABY VISUAL PRODUCTS COMPANY
Executive Officer Corporate Vice President	Naoki Takenaka	➢ General Manager, the Kansai Branch Office	Representative Director and Corporate Senior Vice President of Denshi Kaikan Corporation
Executive Officer Corporate Vice President	Kiyoshi Okamura	➢ Vice President, Nuclear Energy Systems and Services Div. Power Systems Company of Toshiba	

		Responsibility	Status of important concurrent holding of positions.
Executive Officer Corporate Vice President	Takeshi Yokota	➢ Vice President, Transmission & Distribution Systems Div. Social Infrastructure Systems Company of Toshiba	
Executive Officer Corporate Vice President	Fumiaki Ushio	➢ General Executive, Human Resources Group	

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

2. Following Twelve (12) Executive Officers were retired from their respective offices due to expiry of the term of office at the close of the first meeting of the Board of Directors held after the Ordinary General Meeting of Shareholders for the 172nd fiscal period held on June 22, 2011:
Representative Executive Officer, Corporate Senior Executive Vice President Messrs. Fumio Muraoka, Masao Namiki, Ichiro Tai and Yoshihiro Maeda
Executive Officer, Corporate Executive Vice President, Messrs. Kazuo Tanigawa and Toshinori Moriyasu
Executive Officer, Corporate Senior Vice President, Messrs. Ryuichi Nakata and Masahiko Fukakushi
Executive Officer, Corporate Vice President, Messrs. Keizo Tani, Kousei Okamoto, Tsutomu Sanada and Takaaki Tanaka

3. Following twelve (12) Executive Officers were elected and assumed office at the first meeting of the Board of Directors held after the Ordinary General Meeting of Shareholders for the 172nd fiscal period:
Representative Executive Officer, Corporate Executive Vice President Mr. Makoto Kubo
Executive Officer, Corporate Senior Vice President Messrs. Shigenori Shiga and Masayasu Toyohara
Executive Officer, Corporate Vice President Messrs. Makoto Hidejima, Teruo Kiriyama, Osamu Maekawa, Yasuo Naruke, Shigenori Tokumitsu, Naoki Takenaka, Kiyoshi Okamura, Takeshi Yokota and Fumiaki Ushio

4. Executive Officer, Corporate Senior Vice President Mr. Kazuyoshi Yamamori resigned as of March 31, 2012.

5. Executive Officer, Corporate Senior Vice President Mr. Masahiko Fukakushi was elected and assumed office on April 1, 2012. He was assigned as support of Representative Officer & Corporate Senior Vice President Hidejiro Shimomitsu.

6. The following changes were made effective as of April 2012.

		Responsibilities	Important concurrent holding of positions
Representative Executive Officer Corporate Senior Executive Vice President (*)	Hidejiro Shimomitsu	➢ Support of the President ➢ Responsible for the Digital Products Group ➢ Group Executive, Corporate Social Responsibility Div.	Outside Director, Toshiba TEC Corporation
Executive Officer Corporate Senior Vice President	Shigenori Shiga	➢ Executive Vice President of the Power Systems Company of Toshiba	President and CEO, Westinghouse Electric Company, LLC

7. Reliability Center for Electronic Components of Japan where Corporate Executive Vice President Mr. Shozo Saito serves as a chairman, was reorganized to general incorporated foundation as of April 2012

10. 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. Representative Executive Officer, President and Chief Executive Officer, Representative 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.

(2) Amount of Compensation

Item	Number of Directors/Executive Officers	Amount
	Persons	Millions of yen
Directors	19	287
(Outside Directors)	(4)	(51)
Executive Officers	44	1,150

Note: The amount of compensation includes compensation to directors and executive officers who retired on June 22, 2011.

11. The Company's accounting auditor

(1) Name of the Company's accounting auditor

Ernst & Young ShinNihon LLC

(Note) Of the main Group companies, following companies were audited by accounting auditors other than Ernst & Young ShinNihon LLC: Toshiba Nuclear Energy Holdings (US), Inc., Toshiba Nuclear Energy Holdings (UK), Limited, Toshiba America, Inc., and Taiwan Toshiba International Procurement Corporation.

(2) Amount of economic benefits paid by the Group to accounting auditors

Category	Fees paid for audit & assurance services (million yen)	Fees paid for non-audit services (million yen)	Total (million yen)
Toshiba	566	10	576
Consolidated subsidiaries	502	60	562
Total	1,068	70	1,138

(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 as "fees paid for audit & assurance services" is the total amount of these two types of fees.

(3) Non-audit services

The Company has paid compensation to Ernst & Young ShinNihon LLC in consideration of advice relating to IFRS, which is a business other than the businesses provided for in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(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 Companies Act, 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.

12. 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 management 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 management 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 of loss 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 Representative Executive Officer, President and 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 Representative Executive Officer, President and CEO provides members of the Audit Committee designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

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

a. The Representative Executive Officer, President and 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 management audits at the beginning of each fiscal year with the Audit Committee in advance and timely reports the management 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 Representative Executive Officer, President and 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.

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

The Company has adopted its basic policy regarding the persons who control decisions on the Company's financial and business policies and the outlines of its content (the matter listed in Article 118, Paragraph 3 of the Enforcement Regulations for the Companies Act) are as follows:

(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, 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 our corporate value 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. It is necessary for the Company to ensure its corporate value and common interests of shareholders by taking necessary and appropriate countermeasures against the large-scale acquisition of the Company's shares by such a person or party.

(2) Special Measures to Contribute to Realizing the Basic Policy

Toshiba Group aims to evolve into a world-leading diversified electric/electronics manufacturer while accelerate strategic allocation of resources, through (i) continue to accelerate globalization; (ii) set up ambitious goals for innovation and speed its pace; (iii) push forward with CSR management.

(3) Measures to Prevent Decisions on the Company's Financial and Business Policies from being Controlled by Persons Deemed Inappropriate Under the Basic Policy (Takeover Defense Measure)

The Company adopted a plan for countermeasures to any large-scale acquisitions of the Company's shares (the "Plan"), based on the shareholders' approval at the Ordinary General Shareholders Meeting held in June 2009.

The Plan was introduced for the purpose of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders by explicitly setting out 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 time in order to make appropriate decisions, and securing the opportunity for the Company to negotiate with the acquirer.

Specifically, if an acquirer commences or plans to commence an acquisition or a tender offer that would result in the acquirer holding 20% or more of shares issued by the Company, the Company will require the acquirer to provide the necessary information in advance to its Board of Directors. The Special Committee that solely consists of outside directors who are independent from the Company's management 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, evaluate, consider and disclose any alternative proposal presented by the Company's Representative Executive Officer, and negotiate with the acquirer. If the acquirer does not comply with the procedures under the Plan, or the acquisition would damage the corporate value of the Company or the common interests of its shareholders, and if the acquisition satisfies the triggering requirements set out in the Plan, the countermeasures (a gratis allotment of stock acquisition rights (*shinkabu yoyakuken no mushou wariate*), with a condition of which will be that they cannot be exercised by acquirers or the like and subject to call to the effect that the Company can acquire stock acquisition rights from those other than such acquirers in exchange for shares of the Company) are to be implemented in accordance with the recommendation by the Special Committee or the resolution passed at the general meeting for confirming shareholders' intention and the Company will ensure the corporate value of the Company and the common interests of shareholders.

(4) Rationale of the Plan

For the reasons set out below, the Company's board of directors believes that the Plan complies with the Basic Policy, is not detrimental to the corporate value of the Company and the common interests of its shareholders, and is not designed with the purpose of maintaining the positions of management of the Company.

As mentioned below, the Plan fully satisfies all of the three principles (1) principle of ensuring or enhancing corporate value and common interests of shareholders, 2) principle of prior disclosure and shareholders' intention and 3) principle of necessity and appropriateness) set out in the Guidelines Regarding Takeover Defense for the Purposes of Ensuring and Enhancing Corporate Value and Shareholders' Common Interests released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

The Plan also reflects practical experiences and discussions regarding takeover defense measures at the related parties including legal community.

a. Reflection of the intent of shareholders

The Plan was adopted upon the shareholders' approval at the Ordinary General Shareholders Meeting held in June 2009.

b. Decisions of Independent Outside Parties and Information Disclosure

As a company with committees, the Company establishes the Special Committee composed of no less than three outside directors alone who are independent and supervise the Company's executive officers to eliminate arbitrary decisions by the Company management and to secure objective and rational decisions. Also, the Company believes the Special Committee can properly weigh up the effect an Acquisition would have on the Company's corporate value and the common interests of its shareholders by giving consideration to the actual situation of the Company and any other factors that constitute the Company's corporate value.

In addition, in order to increase the transparency of the Special Committee's decision making, the Company will promptly disclose to shareholders, as a general rule, an outline of the Acquisition Document received from an Acquirer, the opinion of the Company's representative executive officers on the Acquisition terms proposed by the Acquirer, an outline of an alternative plan, and any other matters that the Special Committee deems appropriate.

c. Establishment of reasonably objective requirements for triggering the Plan

The Plan is established so that it will not be triggered unless reasonable and objective requirements determined beforehand have been satisfied, and ensures a structure to eliminate arbitrary triggering by the Company's officers.

(Note) The above is just the summary of our Takeover Defense Measure. For details, please refer to the Company's web site: (http://www.toshiba.co.jp/about/ir/jp/news/20090508_1.pdf).[1]
The Plan will be expired at the end of general meeting of shareholders which is scheduled to be held on June 22, 2012 and therefore the Company proposes renewal of the Plan at the meeting. Please refer to the Convocation Notice of the Ordinary General Meeting of Shareholders for the 173rd fiscal year.

14. The Group's Employees As of March 31, 2012

Segment	Number of Employees
	Persons
Digital Products	35,206
Electronic Devices	41,199
Social Infrastructure	91,596
Home Appliances	24,027
Others	13,904
Group-wide (shared)	3,852
Total	209,784

(Note) The Company has 36,754 employees.

[1] Note for English translation: English version is available at http://www.toshiba.co.jp/about/ir/en/news/20090508_1.pdf

15. Main Places of Business and Facilities of the Group As of March 31, 2012

(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), Himeji Operations (Himeji)
Digital Products	Laboratories	Design & Development Center (Ome), Core Technology Center (Ome)
	Production Facilities	Fukaya Complex (Fukaya), Ome Complex (Ome)
Electronic Devices	Laboratories	Center For Semiconductor Research & Development (Kawasaki)
	Production Facilities	Ome Operations - Storage Products (Ome), Microelectronics Center (Kawasaki), Yokkaichi Operations (Yokkaichi), Himeji Operations – Semiconductor (Taishi, Hyogo), Kitakyushu Operations (Kitakyushu), Oita Operations (Oita)
Social Infrastructure	Laboratories	Power and Social Systems Research and Development Center (Yokohama), Isogo Nuclear Engineering Center (Yokohama)
	Production Facilities	Kashiwazaki Operations (Kashiwazaki), Saku Operations (Saku), Fuchu Complex (Fuchu, Tokyo), Komukai Operations (Kawasaki), Hamakawasaki Operations (Kawasaki), Keihin Product Operations (Yokohama), Mie Operations (Asahi Cho, Mie)

Note: As of April 2012, Core Technology Center was reorganized to Platform & Solution Development Center. Also, Komukai Operations is renamed to Komukai Complex and integrated Microelectronics Center.

(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, 2012

The 173rd term

Toshiba Corporation

Consolidated Balance Sheet

As of March 31, 2012

Assets	(Millions of yen)
Current assets	3,001,417
Cash and cash equivalents	214,305
Notes and accounts receivable, trade	1,307,634
Notes	43,800
Accounts	1,283,485
Allowance for doubtful notes and accounts	(19,651)
Inventories	884,264
Deferred tax assets	146,825
Prepaid expenses and other current assets	448,389
Long-term receivables and investments	701,399
Long-term receivables	49,164
Investments in and advances to affiliates	414,716
Marketable securities and other investments	237,519
Property, plant and equipment	851,365
Land	100,029
Buildings	940,935
Machinery and equipment	2,132,059
Construction in progress	79,006
Less - Accumulated depreciation	(2,400,664)
Other assets	1,177,065
Deferred tax assets	376,817
Others	800,248
Total assets	5,731,246

Consolidated Balance Sheet (Continued)

As of March 31, 2012

Liabilities	(Millions of yen)
Current liabilities	2,659,260
Short-term borrowings	119,515
Current portion of long-term debts	206,626
Notes and accounts payable, trade	1,293,028
Accounts payable, other and accrued expenses	394,707
Accrued income and other taxes	46,536
Advance payments received	271,874
Other current liabilities	326,974
Long-term liabilities	1,835,464
Long-term debt	909,620
Accrued pension and severance costs	778,580
Other liabilities	147,264
Total liabilities	4,494,724
Equity	
Equity attributable to shareholders of the Company	867,268
Common stock	439,901
Authorized: 10,000,000,000 shares	
Issued: 4,237,602,026 shares	
Additional paid-in capital	401,125
Retained earnings	595,583
Accumulated other comprehensive loss	(567,843)
Treasury stock, at cost	(1,498)
2,636,058 shares	
Equity attributable to noncontrolling interests	369,254
Total equity	1,236,522
Commitments and contingent liabilities	
Total liabilities and equity	5,731,246

Consolidated Statement of Income

For the year ended March 31, 2012

	(Millions of yen)
Sales and other income	6,204,725
Net sales	6,100,262
Interest and dividends	10,684
Equity in earnings of affiliates	17,035
Other income	76,744
Costs and expenses	6,052,320
Cost of sales	4,633,558
Selling, general and administrative	1,260,055
Interest	31,815
Other expense	126,892
Income from continuing operations, before income taxes and noncontrolling interests	152,405
Income taxes:	64,964
Current	45,980
Deferred	18,984
Income from continuing operations, before noncontrolling interests	87,441
Loss from discontinued operations, before noncontrolling interests	(1,295)
Net income before noncontrolling interests	86,146
Less - Net income attributable to noncontrolling interests	12,441
Net income attributable to shareholders of the Company	73,705

Consolidated Statement of Shareholders' Equity

For the year ended March 31, 2012

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Treasury stock	Total shareholders' equity	Non-controlling interests	Total equity
Balance at March 31, 2011	439,901	399,552	551,523	(521,396)	(1,461)	868,119	311,497	1,179,616
Capital transactions with noncontrolling interest and other		1,576				1,576	57,455	59,031
Dividends to shareholders of the Company			(29,645)			(29,645)		(29,645)
Dividends to non-controlling interest							(7,629)	(7,629)
Comprehensive income								
Net income			73,705			73,705	12,441	86,146
Other comprehensive income (loss), net of tax:								
Net unrealized gains and losses on securities				(5,362)		(5,362)	38	(5,324)
Foreign currency translation adjustments				(11,018)		(11,018)	(337)	(11,355)
Pension liability adjustment				(29,667)		(29,667)	(3,952)	(33,619)
Net unrealized gains and losses on derivative instruments				(400)		(400)	(259)	(659)
Comprehensive income						27,258	7,931	35,189
Purchase of treasury stock, net, at cost		(3)			(37)	(40)		(40)
Balance at March 31, 2012	439,901	401,125	595,583	(567,843)	(1,498)	867,268	369,254	1,236,522

*Notes to Consolidated Financial Statements are posted on the Company's website（http://www.toshiba.co.jp/about/ir/en/stock/meeting.htm）.

<u>Notes to Consolidated Financial Statements</u>

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

(Significant Accounting Policies)

1） Standard of Preparation of the Consolidated Financial Statements

The consolidated financial statements of the Company are prepared in conformity with terms, forms and preparation methods of generally accepted accounting principles in the U.S. (hereinafter, the “U.S. GAAP”) pursuant to Article 120-2, Paragraph 1 of the Provision to the Corporate Calculation Rules. 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, 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 "Accounting Standards Codification" ("ASC") 320 “Investment – debt securities and equity securities”, the Company classified all the marketable securities into available-for-sale securities, reported them on the basis of fair values and included unrealized gains (losses) after tax effect into accumulated other comprehensive income (loss). 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 associated with domestic operations is computed generally by the 250% declining-balance method with estimated residual value reduced to a nominal value. Depreciation for property, plant and equipment for foreign subsidiaries is generally computed using the straight-line 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 ASC 350 “Intangible assets – Goodwill and others”, 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 Group 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 (Loss) per Share Attributable to Shareholders of the Company

Basic net income (loss) per share attributable to shareholders of the Company (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 Standards

The Company adopted the "Accounting Standards Updates" ("ASU") No. 2009-13 effective April 1, 2011.
ASU No. 2009-13, an amendment of ASC 605 "Revenue Recognition", provides amendments to the criteria for separating consideration in multiple-deliverable arrangements. It is also approved that the selling price used for each deliverable will be based on the best estimated selling price if neither vendor-specific objective evidence nor third-party evidence is available. At the same time, ASU No. 2009-13 eliminates the residual method which had been conventionally approved to allocate arrangement consideration. Furthermore, a vendor is required to disclose information such as how much such amendment influences amounts in financial statements, in addition to information which has been required to be disclosed. The adoption of ASU No. 2009-13 has no material impact on the Company's consolidated financial statements.

The Company adopted the "Accounting Standard Updates" ("ASU") No. 2009-14 effective April 1, 2011. ASU No. 2009-14, an amendment of ASC 985 "Software" ("ASC 985"), clarifies the range of application of ASC 985 in relation to revenue recognition of certain products that contain software. The adoption of ASU No. 2009-14 has no material impact on the Company's consolidated financial statements.

2. Notes to Consolidated Balance Sheet

1） Assets pledged as a collateral and secured Liabilities

Pledged assets:	Accounts receivable	24,951	million yen
	Long-term receivables	27,738	million yen
	Total	52,689	million yen
Liabilities secured by collateral:	Short-term borrowings	22,646	million yen
	Long-term debt	19,206	million yen
	Total	41,852	million yen

2） Liabilities on guarantee and their kinds 314,504 million yen

3） Accumulated other comprehensive loss includes Net unrealized gains and losses on securities, Foreign currency translation adjustments, Pension liability adjustment and Net unrealized gains and losses on derivative instruments.

4） Important disputes

In January 2007, the European Commission adopted a decision imposing fines on 19 companies, including the Company, for violating EU competition laws in the gas insulated switchgear market. The Company was individually fined 86.25 million euro and was also fined 4.65 million euro jointly and severally with Mitsubishi Electric Corporation. Following its own investigation, the Company contends that it has not found any infringement of EU competition laws, and it brought an action to the General Court of the European Union seeking annulment of the European Commission's decision in April 2007. In July 2011, the General Court of the European Union handed down a judgment and annulled the entire fine imposed on the Company, but upheld the European Commission's determination about alleged anti-competitive behavior. The Company appealed to the European Court of Justice in September 2011, since there was certain inconsistency between the contents of the judgment and the facts as recognized by the Company. The Company will assert its position in the appeal.

In August 2007, General Electric Capital Leasing Corporation (currently General Electric Japan Inc.(“GE Japan Inc.”)) filed a lawsuit against six companies including the Company and its two subsidiaries for compensation of damages caused by false transactions. Although such transactions were conducted by a former employee of the Group without any relation to the business operation of the Group, GE Japan Inc. alleged the damages in accordance with the employer liability clause of Civil Code. In October 2010, GE Japan Inc. settled the case with Transcosmos Inc. and Parametric Technology Corporation Japan, both of which were defendants, and assigned the claims to them. In July 2011, Tokyo District Court ordered the Company to pay approximately 4,550 million yen but the Company immediately appealed against this court ruling because the Company believes it is not responsible for the illegal transactions conducted by the former employee.

In February 2011, the Ministry of Defense of Japan (“MOD”) cancelled contract for development and manufacture of “reconnaissance system for F-15” between MOD and the Company. In July 2011, the Company filed a lawsuit against MOD to Tokyo District Court seeking payment of approximately 9,319 million yen including payment for parts which have been already completed. The Company properly executed its duties pursuant to conditions of the contract. Therefore, the Company thinks that MOD's cancellation of the contract is unreasonable and will assert its position in the Court.

3. Discontinued Operation

On June 17, 2010, the Company and Fujitsu Limited (“Fujitsu”) signed a Memorandum of Understanding (MOU) to merge their mobile phone businesses, followed by a definitive contract on July 29, 2010. The purpose of this business merger was to enhance their handset development capabilities and at the same time to improve business efficiency by combining their mobile phone development know-how and technological strengths, in the domestic and overseas mobile phone market in which competition is intensifying. On October 1, 2010, the Company transferred its mobile phone business to a newly established company (Fujitsu Toshiba Mobile Communications Limited) , and sold 80.1% of the shares of the new company to Fujitsu. In accordance with this contract, the Company ceased manufacturing and selling of the existing models of mobile phones during the second quater of FY2011. However, the Company continues the maintenace service of products manufactured and supplied.

In accordance with ASC No.205-20 "Presentation of Financial Statements-Discontinued Operations" (“ASC No.205-20”) , operating results relating to the mobile phone business in consolidated statements of income are separately presented as discontinued operations.

Operating results relating to the mobile phone business, which are reclassified as discontinued operations, are as follows:

Sales and other income	21,636	million yen
Costs and expenses	23,955	million yen
Loss from discontinued operations before income taxes and noncontrolling interests	(2,319)	million yen
Income taxes	(944)	million yen
Loss from discontinued operations, before noncontrolling interests	(1,375)	million yen
Less: Net income (loss) from discontinued operations, attributable to noncontrolling interests	-	million yen
Net loss from discontinued operations, attributable to shareholders of the Company	(1,375)	million yen

Mobile Broadcasting Corporation（“MBCO”）, a consolidated subsidiary of the Company, ended all its broadcasting services by the end of March 2009, and is in the course of going through the procedures for dissolution. In accordance with ASC No.205-20, operating results relating to MBCO in consolidated statements of income are separately presented as discontinued operations. These amounts were not significant.

4. Notes Concerning Financial Instruments

1） Matters concerning financial instruments

The Company is managing funds mainly on short-term deposits. It also raises funds through issuance of corporate bonds and borrowings from financial institutions including banks.

Investment securities are mainly stocks. For marketable securities, the Group evaluates their fair values on the basis of market prices.

The intended use of corporate bonds and long-term borrowings is working funds and the funds for capital investments.

In the normal course of its risk management efforts, the Group employs a variety of derivative financial instruments, which are consisted principally of forward exchange contracts, interest rate swap agreements, currency swap agreements and currency options to reduce its exposures. The Group has policies and procedures for risk management and the approval, reporting and monitoring of derivative financial instruments. The Group's policies prohibit holding or issuing derivative financial instruments for trading purposes.

2) Matters concerning market value of financial instruments

The consolidated balance sheet amounts as of March 31, 2012, fair values and their differences are as follows:

(Millions of yen)

	Consolidated Balance Sheet Amount	Fair value	Difference
Assets concerning financial instruments			
Investment securities and other investments	174,816	174,816	-
Liabilities concerning financial instruments			
Corporate bonds and long-term loans payable	1,082,046	1,088,464	6,418
Financial derivatives	3,427	3,427	-

The above table excludes the financial instruments for which fair values approximate their carrying amounts and those related to leasing activities.

In estimating the fair value of these financial instruments, the Group employs a variety of techniques and assumptions, which are based on estimates of market conditions and risks existing at the measurement dates. For certain instruments, including cash and cash equivalents, notes and accounts receivable-trade, short-term borrowings, notes and accounts payable-trade, and accounts payable-other and accrued expenses, the carrying amount approximates fair value for the majority of the respective instruments because of their short maturities. For some of investment securities and other investments, the Group used market prices released. Fair values of corporate bonds and long-term loans payable are estimated based on the market prices released, and if there are no market prices released, they are estimated by using estimated present value of future cash flows. For deciding fair values of other financial instruments, methods such as estimated discounted present value of future cash flow or replacement value are used. These fair values do not necessarily represent realizable amounts as of the fiscal year-end.

For nonmarketable securities evaluated by the cost method, as it is practically difficult to evaluate their fair values, they were not included in "investment securities and other investments."

5. Notes to net earnings (loss) per share

Earnings per share from continuing operations		
Basic earnings per share attributable to shareholders of the Company	17.70	yen
Diluted earnings per share attributable to shareholders of the Company	17.47	yen
Loss per share from discontinued operations		
Basic loss per share attributable to shareholders of the Company	(0.30)	yen
Diluted loss per share attributable to shareholders of the Company	(0.30)	yen
Net earnings per share		
Basic net earnings per share attributable to shareholders of the Company	17.40	yen
Diluted net earnings per share attributable to shareholders of the Company	17.17	yen

6. Acquisition of Landis+Gyr

On May 19, 2011 (Japan Standard Time), the Company entered into a definitive agreement to acquire the entire equity of Landis+Gyr AG (hereinafter referred to as “Landis+Gyr”), and consequently the Company acquired Landis+Gyr for approximately US$2.3 billion on July 29, 2011 (UK Time). The Company entered into a shareholders' agreement and a share purchase agreement with Innovation Network Corporation of Japan (“INCJ”) which prescribe INCJ's participation to invest in Landis+Gyr. The Company transferred all shares in Landis+Gyr and part of receivable (US$1.7 billion in total) to a Special Purpose Entity (“SPE”) established in Switzerland for the purpose of managing Landis+Gyr and 40% of share in the SPE (US$680 million in total) was sold to INCJ on August 22, 2011 (Japan Standard Time).

The allocation of the fair value of the acquisition under ASC No.805 will be finalized when the valuation is completed.

7. Subsequent events

Concerning the agreement on acquisition of IBM's retail store solutions business, Toshiba TEC Corporation (hereinafter referred to as "TEC"), a consolidated subsidiary of the Company, entered into an agreement with International Business Machines Corporation ("IBM") on acquisition of IBM's retail store solutions on April 17, 2012, in accordance with the resolution at the meeting of the Board of Directors held on the same date.

A new holding company will be established in Japan, which will hold the equity of a number of companies organized in countries around the world. In order to promote a smooth transfer, Tec will acquire an 80.1% stake in the holding company and IBM will hold a 19.9% stake in the holding company for a certain period after the transfer. Following such period, the holding company will eventually become a wholly owned subsidiary of Tec.

(1) Name of Assignor Company

Profile of IBM

Name of company:	International Business Machines Corporation
Address:	New Orchard Road, Armonk, New York 10504, USA
Representative:	Virginia M. Rometty President and Chief Executive Officer
Capital fund:	48,129 million U.S. dollars (approx. 3,850.3 billion yen) (Note1.)
Details of business:	Hardware (system & technology), software, service, consulting, etc. through IT and integration solutions

(Note 1.) 80 yen per 1 U.S. dollar; the same shall apply hereinafter.

(2) Details of business to acquire

Development, sales, and maintenance serve, etc. related to retail store solutions business

(3) Reasons for acquisition of the business

With acquisition of IBM's retail store solution business, Tec aims to be the foremost retail point of sale systems company in the retail solution market, offering high level of products and solutions worldwide.

(4) Date of acquisition

the end of June, 2012 to July, 2012 (scheduled)

(5) Legal form of business combination

Business acquisition

(6) Name of assignee company

It has not been decided as new companies will be established in various countries.

(7) Purchase price

Approximately 850 million U.S. dollars (approx. 68 billion yen) (Note 2.)

(Note 2.) Tec will pay compensations for acquisition of the business to IBM three times; i.e., on the date when the acquisition is completed, one year after the date when acquisition is completed, and at time of purchasing shares held by IBM three years later.

(Payment schedule: initial payment (the closing date) equivalent to 51.0% ; deferred payment (the first anniversary of the closing date) equivalent to 29.1%; payment for share equity purchase (the third anniversary of the closing) equivalent to 19.9%)

(For reference) Consolidated Statement of Cash Flows

(For the years ended March 31, 2012)

	(Millions of yen)
Cash flows from operating activities	334,997
Cash flows from investing activities	(377,227)
(Free cash flow)	(42,230)
Cash flows from financing activities	(240)
Effect of exchange rate changes on cash and cash equivalents	(2,065)
Net decrease in cash and cash equivalents	(44,535)
Cash and cash equivalents at beginning of year	258,840
Cash and cash equivalents at end of year	214,305

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, 2012

The 173rd term

Toshiba Corporation

Balance Sheet
As of March 31, 2012

Assets	(Millions of yen)
Current assets	1,833,782
Cash and cash equivalents	60,561
Notes receivables	6,687
Accounts receivables	751,742
Finished products	211,069
Raw materials	38,875
Work in process	167,358
Advance payments	17,837
Prepaid expenses	10,223
Deferred tax assets	80,243
Other current assets	595,452
Allowance for doubtful accounts	(106,269)
Fixed assets	2,063,965
Tangible fixed assets	413,838
Buildings	182,294
Structures	16,977
Machinery and equipment	88,530
Delivery equipment	248
Tools, fixtures and furniture	35,643
Land	55,602
Lease assets	3,458
Construction in progress	31,082
Intangible fixed assets	37,631
Software	25,209
Other intangible fixed assets	12,422
Investments and others	1,612,495
Investment securities	134,906
Security investments in affiliates	1,006,550
Other investments	3,848
Other investments in affiliates	115,417
Long-term loans	156,217
Long-term prepaid expenses	3,828
Deferred tax assets	152,737
Other assets	39,135
Allowance for doubtful accounts	(148)
Total assets	3,897,747

Balance Sheet (Continued)
As of March 31, 2012

Liabilities	(Millions of yen)
Current liabilities	1,900,422
Notes payable	1,764
Accounts payable	898,819
Short-term loans	364,237
Current portion of debentures	50,000
Lease obligations	719
Accrued liabilities	85,916
Accrued expenses	148,729
Corporate and other taxes payable	176
Advance payments received	104,475
Deposits received	219,648
Allowance for warranty and others	9,134
Allowance for losses on construction contracts	961
Allowance for losses on business of affiliates	741
Other current liabilities	15,096
Long-term liabilities	1,058,662
Debentures	440,000
Long-term loans	412,104
Lease obligations	2,806
Allowance for retirement benefits	194,369
Allowance for recycle of personal computers	3,304
Asset retirement obligations	675
Other long-term liabilities	5,403
Total liabilities	2,959,084
Net Assets	
Shareholders' equity	925,712
Common stock	439,901
Capital surplus	380,845
Other capital surplus	380,845
Retained earnings	106,464
Legal retained earnings	3,811
Other retained earnings	102,652
Reserves for deferral of gains on sales of property	5,985
Retained earnings brought forward	96,667
Treasury stock	(1,498)
Difference of appreciation and conversion	12,950
Net unrealized gains (losses) on investment securities	13,560
Deferred profit (loss) on hedges	(609)
Total net assets	938,663
Total liabilities and net assets	3,897,747

Statement of Income

For the year ended March 31, 2012

	(Millions of yen)
Net sales	3,209,013
Cost of sales	2,755,029
Gross margin	453,983
Selling, general and administrative expenses	468,192
Net operating loss	14,208
Non-operating income	74,909
Interest income	3,906
Dividend income	49,858
Miscellaneous income	21,144
Non-operating expenses	93,337
Interest expenses	24,160
Miscellaneous expenses	69,176
Recurring loss	32,636
Extraordinary gains	58,364
Gains from sales of securities	21,608
Gains from sales of fixed assets	18,248
Gains from contribution of securities to retirement benefit	11,583
Reversal of allowance for doubtful accounts	6,924
Extraordinary losses	10,299
Impairment loss	10,299
Income before taxes	15,428
Corporate tax, inhabitant tax and business tax	(13,216)
Taxes deferred	(10,558)
Net income	39,202

Statement of Changes in Net Assets
For the year ended March 31, 2012

	(Millions of yen)
Shareholders' equity	
Common stock	
Balance at beginning of the term	439,901
Changes in the term	
Total changes in the term	0
Balance at end of the term	439,901
Capital surplus	
Other capital surplus	
Balance at beginning of the term	380,850
Changes in the term	
Disposal of treasury stock	(5)
Total changes in the term	(5)
Balance at end of the term	380,845
Retained earnings	
Legal retained earnings	
Balance at beginning of the term	847
Changes in the term	
Dividends from surplus	2,964
Total changes in the term	2,964
Balances at end of the term	3,811
Other retained earnings	
Reserves for deferral of gains on sales of property	
Balances at beginning of the term	2,222
Changes in the term	
Provision of reserves for reduction entry	3,868
Reversal of reserves for deferral of gains on sales of property	(105)
Total changes in the term	3,762
Balances at end of the term	5,985
Retained earnings brought forward	
Balance at beginning of the term	93,837
Changes in the term	
Provision of reserve for reduction entry	(3,868)
Reversal of reserves for deferral of gains on sales of property	105
Dividends from surplus	(32,609)
Net income	39,202
Total changes in the term	2,829
Balance at end of the term	96,667

Statement of Changes in Net Assets (Continued)
For the year ended March 31, 2012

	(Millions of yen)
Treasury stock	
Balance at beginning of the term	(1,461)
Changes in the term	
Purchase of treasury stock	(52)
Disposal of treasury stock	15
Total changes in the term	(37)
Balance at end of the term	(1,498)
Total shareholders' equity	
Balance at beginning of the term	916,197
Changes in the term	
Dividends from surplus	(29,645)
Net income	39,202
Purchase of treasury stock	(52)
Disposal of treasury stock	9
Total changes in the term	9,514
Balance at end of the term	925,712
Difference of appreciation and conversion	
Net unrealized gains (losses) on investment securities	
Balances at beginning of the term	19,401
Changes in the term	
Net changes of items other than shareholders' equity	(5,841)
Total changes in the term	(5,841)
Balance at end of the term	13,560
Deferred profit (loss) on hedges	
Balance at beginning of the term	(318)
Changes in the term	
Net changes of items other than shareholders' equity	(291)
Total changes in the term	(291)
Balance at end of the term	(609)
Total net assets	
Balance at beginning of the term	935,281
Changes in the term	
Dividends from surplus	(29,645)
Net income	39,202
Purchase of treasury stock	(52)
Disposal of treasury stock	9
Net changes of items other than shareholders' equity	(6,132)
Total changes in the term	3,381
Balance at end of the term	938,663

*Notes to Non-Consolidated Financial Statements are posted on the Company's website (http://www.toshiba.co.jp/about/ir/en/stock/meeting.htm).

Notes to Non-Consolidated Financial Statements (1)

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 products	valued at acquisition cost either based on the specific identification method or on the moving average method
Work-in-process	valued at acquisition cost either based on the specific identification method or on the weighted average method
Raw materials	valued at acquisition cost based on the moving average method

Amounts carried on the balance sheet are stated after their devaluation based on the lowered profitability.

(4) Depreciation methods for fixed assets

Tangible fixed assets (excluding leased 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 structures is from 3 years to 50 years. Service life of Machinery and equipment is from 3 years to 18 years.
Intangible fixed assets (excluding leased 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).
Lease Assets	Lease assets under non-ownership transfer finance lease transactions For accounting for such lease assets, the Company applies a straight-line method with the lease period as useful life and the residual value as 0.

Notes to Non-Consolidated Financial Statements (2)

(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 losses on business of subsidiaries and affiliates	To prepare for possible losses associated with business of subsidiaries and affiliates, the expected amount of loss to be incurred by the Company beyond the amount normally estimated based on its investment in such affiliates is recorded.
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 construction contracts with a high level of certainty of expected cash flow for the part completed by the end of the period (cost comparison method is used for estimating the progress rate of construction work).

Notes to Non-Consolidated Financial Statements (3)

(7) 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.

(8) Accounting of consumption tax

It is recorded without tax.

(9) Consolidated taxation system

The Company adopted the consolidated taxation system.

(10) Presentation of amount

Amounts under million are rounded down.

(11) Additional Information

For accounting changes and error corrections to be made from the beginning of the fiscal year ended March 31, 2012 onward, the Company adopted the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No. 24 issued on December 4, 2009) and the Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24 issued on December 4, 2009).

Notes to Non-Consolidated Financial Statements (4)

2. Notes to changes of estimation for Accounting

The estimated recycle costs are recognized based on sales performance to cover costs of recycle of personal computers. In the fiscal year under review, the amount of allowance for recycle of personal computers was changed, in response to renewal of a collection rate in the domestic market reported by a third-party organization which is used to calculate the estimated recycle costs.

With this change, operating loss and ordinary loss decreased respectively by 806 million yen and 2,101 million yen, and net income before tax increased by 2,101 million yen, in comparison to the calculation with the previous method.

3. Notes to Balance Sheet

(1) Collateral assets and liabilities secured by collaterals:

Collateral assets:

Long-term loans	27 million yen
Security investments in affiliates	18 million yen

The above assets are collaterals pledged on loans of 881 million yen for affiliates.

(2) Accumulated depreciation for tangible fixed assets: 1,420,066 million yen

(3) 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
Westinghouse Electric Company, LLC	383,667
WesDyne International LLC	36,500
Flash Alliance Ltd.	22,321
Others	94,400
Total	536,891

Notes to Non-Consolidated Financial Statements (5)

(4) Important disputes

In January 2007, the European Commission adopted a decision imposing fines on 19 companies, including the Company, for violating EU competition laws in the gas insulated switchgear market. The Company was individually fined 86.25 million euro and was also fined 4.65 million euro jointly and severally with Mitsubishi Electric Corporation. Following its own investigation, the Company contends that it has not found any infringement of EU competition laws, and it brought an action to the General Court of the European Union seeking annulment of the European Commission's decision in April 2007. In July 2011, the General Court of the European Union handed down a judgment and annulled the entire fine imposed on the Company, but upheld the European Commission's determination about alleged anti-competitive behavior. The Company appealed to the European Court of Justice in September 2011, since there was certain inconsistency between the contents of the judgment and the facts as recognized by the Company. The Company will assert its position in the appeal.

In August 2007, General Electric Capital Leasing Corporation (currently General Electric Japan Inc.(“GE Japan Inc.”)) filed a lawsuit against six companies including the Company and its two subsidiaries for compensation of damages caused by false transactions. Although such transactions were conducted by a former employee of the Group without any relation to the business operation of the Group, GE Japan Inc. alleged the damages in accordance with the employer liability clause of Civil Code. In October 2010, GE Japan Inc. settled the case with Transcosmos Inc. and Parametric Technology Corporation Japan, both of which were defendants, and assigned the claims to them. In July 2011, Tokyo District Court ordered the Company to pay approximately 4,550 million yen but the Company immediately appealed against this court ruling because the Company believes it is not responsible for the illegal transactions conducted by the former employee.

In February 2011, the Ministry of Defense of Japan (“MOD”） cancelled contract for development and manufacture of “reconnaissance system for F-15” between MOD and the Company. In July 2011, the Company filed a lawsuit against MOD to Tokyo District Court seeking payment of approximately 9,319 million yen including payment for parts which have been already completed. The Company properly executed its duties pursuant to conditions of the contract. Therefore, the Company thinks that MOD's cancellation of the contract is unreasonable and will assert its position in the Court.

(5) Monetary receivable and liabilities to subsidiaries and affiliates

Current monetary receivables	899,836 million yen
Non-current monetary receivables	158,926 million yen
Current monetary liabilities	1,012,578 million yen

Notes to Non-Consolidated Financial Statements (6)

4. Notes to Statement of Income

(1)	Sales to subsidiaries and affiliates	2,218,856 million yen
(2)	Purchases from subsidiaries and affiliates	2,458,998 million yen
(3)	Non-operating transactions amounts with subsidiaries and affiliates	108,185 million yen

5. Notes to Statement of Changes in Net Assets

(1) The class and number of issued shares as of March 31, 2012

Common stock 4,237,602,026 shares

(2) The class and number of treasury stock as of March 31, 2012

Common stock 2,636,058 shares

(3) Resolution of dividends

Resolution	Total amount of dividend	Dividend per share	Record date	Effective date
Board of Directors Meeting held on Oct. 31, 2011	16,940 million yen	4.00 yen	Sep. 30, 2011	Dec. 1, 2011
Board of Directors Meeting held on May 8, 2012 (scheduled)	16,939 million yen	4.00 yen	Mar. 31, 2012	Jun. 1, 2012

Notes to Non-Consolidated Financial Statements (7)

6. Notes to Deferred Income Tax Accounting

The main cause of accrual of the deferred tax assets is non-recognition of the allowance for retirement benefits, net-loss carried forward, etc. while main cause of deferred tax liabilities is other comprehensive income on securities and reserves pursuant to the Special Taxation Measures Law, etc.

(Additional Information)

Following the promulgation on December 2, 2011 of the "Act for Partial Revision of the Income Tax Act etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures" (Act No.114 of 2011) and the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No.117 of 2011), corporate income tax rates will be reduced and special corporate tax for funding the recovery from the disaster will be imposed for the fiscal year beginning on or after April 1, 2012. Accordingly, a statutory effective tax rate used to calculate deferred tax assets and liabilities was changed from existing 40.7% to 38.0% for temporary difference expected to be eliminated during the period from the fiscal year beginning on April 1, 2012 to the fiscal year beginning on April 1, 2014, and 35.6% for temporary difference expected to be eliminated in and after the fiscal year beginning on April 1, 2015.

With this change of tax rates, the amount of deferred tax assets (the amount minus deferred tax liabilities) decreased by 23,542 million yen and the amount of income taxes-deferred increased by 24,342 million yen.

7. Notes to Transaction with Related Parties

Subsidiaries and affiliated companies

(Millions of yen)

Distinction of subsidiary/ affiliate	Company	Holding ratio of voting rights*1	Relationship	Transaction	Amount	Accounts	Ending Balance
Subsidiary	Toshiba America Information Systems, Inc.	100%	Sales of products	Sales of products*3	311,964	Accounts receivables	39,823
Subsidiary*7	Toshiba Mobile Display Co., Ltd.	100%	Lending of cash	Lending of cash*4	–	Other current assets	104,166
				Receipt of interests*4	747	Other current assets	0
Subsidiary	Mobile Broadcasting Corporation	90.3%	Lending of cash	Lending of cash*4	–	Other current assets	63,200
				Receipt of interests*4	285	Other current assets	0
Subsidiary	Taiwan Toshiba International Procurement Corporation	100%	Procurement	Procurement*5	1,334,932	Accounts payable	306,962

Notes to Non-Consolidated Financial Statements (8)

Subsidiary	Toshiba Plant Systems & Services Corporation	61.6%	Procurement	Procurement*5	86,994	Accounts payable	51,171
Subsidiary	Toshiba Information Equipment (Philippines) Inc.	100%	Procurement	Procurement*5	39,925	Accounts payable	41,009
Subsidiary	Toshiba International Finance (UK) Plc.	100%	Borrowing of cash	Borrowing of cash*4	–	Short-term loans	146,998
				Payment of interests*4	277	Accrued expenses	0
Subsidiary	Toshiba TEC Co., Ltd.	53.0%	Deposit of cash	Deposit of cash*6	–	Deposits received	58,593
				Payment of interests*6	133	Accrued expenses	0
Subsidiary	Westinghouse Electric Company LLC	100%*2	Guarantees	Guarantees	383,667	–	–
Subsidiary	RED & BLUE HOLDING AG	60.0%	Lending of cash	Lending of cash*4	–	Long-term loans	49,323
				Receipt of interests*4	966	Other current assets	273
Affiliate	Flash Alliance Ltd.	50.1%	Lending of cash	Lending of cash*4	–	Long-term loans	75,100
				Receipt of interests*4	541	Other current assets	0

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

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

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

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

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

*6. Funds are lent and borrowed through cash pooling among domestic group companies.
Interest of lending and/or borrowing is determined under the same condition of arms-length transaction, considering market interest rate.

*7. As Toshiba Mobile Display Co.,Ltd. ("TMD") became inapplicable to a related party due to sale of all shares on March 30, 2012, transaction amounts during the period when TMD was a related party and the balance at the time when it became inapplicable to a related party are stated.

8. Notes to information per share

(1) Net assets per share 221.65 yen

(2) Earnings per share 9.26 yen

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Report of Independent Auditors (Consolidated Financial Statements)

To: Mr. Norio Sasaki
Representative Executive Officer
President and Chief Executive Officer
Toshiba Corporation

May 6, 2012

Ernst & Young ShinNihon LLC

Hiroshi Hamao
Certified Public Accountant
Designated and Engagement Partner

Tatsuhiro Ishikawa
Certified Public Accountant
Designated and Engagement Partner

Yasushi Yoshida
Certified Public Accountant
Designated and Engagement Partner

Masato Tanibuchi
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Section 4 of the Companies Act, we have audited the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of shareholders' equity and the notes) of Toshiba Corporation (the “Company”) applicable to the fiscal year from April 1, 2011 through March 31, 2012.

Management’s responsibility for the statutory report.

Management is responsible for the preparation and fair presentation of these Consolidated financial statements in accordance with the provision of the second sentence of Article 120-2, Paragraph 1 of the Corporate Accounting Regulations of Japan, which permits the omission of some disclosure items required under the accounting principles generally accepted in the United States of America (hereinafter “U.S. GAAP”); this includes the development, implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of Consolidated financial statements that is free from material misstatement, whether due to fraud or error.

Independent auditors’ responsibility

Our responsibility is to express an opinion on the Consolidated financial statements based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The audit procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity’s internal control. However, in making those risk assessment, we consider internal control relevant to the entity’s preparation and fair presentation of the Consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion

In our opinion, the consolidated financial statements referred to above, which omit some disclosure items required under U.S. GAAP in accordance with the provision of second sentence of Article 120-2, Paragraph 1 of the Corporate Accounting Regulations of Japan, 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, 2012.

Interests in the Company

Our firm and engagement partners have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

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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 173rd fiscal period, from April 1, 2011 to March 31, 2012.
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 131 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 173rd fiscal period.

2. Results of audit

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

May 7, 2012

Audit Committee
Toshiba Corporation

Fumio Muraoka

Hiroshi Horioka

Hiroshi Hirabayashi

Takeshi Sasaki

Takeo Kosugi

Note: Messrs. Hiroshi Hirabayashi, Takeshi Sasaki and Takeo Kosugi are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of Companies Act.

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Report of Independent Auditors

To: Mr. Norio Sasaki
Representative Executive Officer
President and Chief Executive Officer
Toshiba Corporation

May 6, 2012

Ernst & Young ShinNihon LLC

Hiroshi Hamao
Certified Public Accountant
Designated and Engagement Partner

Tatsuhiro Ishikawa
Certified Public Accountant
Designated and Engagement Partner

Yasushi Yoshida
Certified Public Accountant
Designated and Engagement Partner

Masato Tanibuchi
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Section 2, Paragraph1 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 173rd fiscal year from April 1, 2011 through March 31, 2012. 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.

Management’s responsibility for the statutory report.

Management is responsible for the preparation and fair presentation of these financial statements and the related supplementary schedules in accordance with business accounting standards generally accepted in Japan; this includes the development, implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Independent auditors’ responsibility

Our responsibility is to express an opinion on the financial statements and the related supplementary schedules based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The audit procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity’s internal control. However, in making those risk assessment, we consider internal control relevant to the entity’s preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit 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 the results of operations of Toshiba Corporation as of the date and for the period for which the financial statements and the related supplementary schedules were prepared in accordance with business accounting standards generally accepted in Japan.

Interests in the Company

Our firm and engagement partners have no interest in the Company that should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

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AUDIT REPORT

We, the audit committee of Toshiba Corporation, have audited directors' and executive officers' execution of their duties during the 173rd fiscal period, from April 1, 2011, to March 31, 2012. 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.
We have received reports on "Internal control over financial reporting", such as current status of consulting and evaluation about internal control, from Corporate Executive and Ernst & Young ShinNihon LLC, and requested it explanation.
Also, we have examined "Basic Policy on Control of the Company and Takeover Defense Measure" described in Business Report (basic policy prescribed in Article 118 Item 3 a) of the Companies Act Enforcement Regulations and undertakings prescribed in Article 118 Item 3 b) 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 131 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 173rd 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, including internal control over financial reporting, 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 on 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 118 item 3 b) 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.

May 7, 2012

Audit Committee
Toshiba Corporation

Fumio Muraoka

Hiroshi Horioka

Hiroshi Hirabayashi

Takeshi Sasaki

Takeo Kosugi

Note: Messrs. Hiroshi Hirabayashi, Takeshi Sasaki and Takeo Kosugi are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of Companies Act.