

Foreword

Return to the Path of Sustained Growth with Steadily Higher Profit



Norio Sasaki

Director, President and CEO



As we mark the 135th anniversary of Toshiba's foundation with the publication of this *TOSHIBA REVIEW Science and Technology Highlights 2010*, I am delighted to offer a few words of greeting to readers.

The global recession triggered by the Lehman shock generated a paradigm shift to an increasingly multipolar global economy characterized by the rise of the emerging economies. Toshiba is responding with efforts to secure a stable revenue base that will allow us overcome business fluctuations and to transform the company's business structure to that of a top-level diversified electric/electronic manufacturer with strong global competitiveness. With that in mind, we are promoting a return to sustained growth, and our efforts are bearing fruit: in the first quarter of fiscal 2010 we achieved our highest quarterly operating profit since we launched quarterly reports in 2003. Going forward, we will continue to maintain sound financial foundations and position Toshiba as one of the world's foremost eco-companies contributing to a sustainable future for planet Earth.

Toshiba supports efforts for the realization of a low-carbon society by putting a strong emphasis on environmental and energy businesses. In nuclear power generation, now the focus of high expectations around the world as an energy source free of carbon dioxide emissions, Westinghouse Electric Company—a Toshiba Group company—has won a large number of orders in the U.S. and Chinese markets for its state-of-the-art AP1000TM pressurized water reactor. Construction of the plants in China is already underway. Toshiba has also received the first U.S. order for our advanced boiling water reactor, a leading-edge nuclear power plant with a superior record of achievement in Japan. Another area where we are making progress is in realizing our plans in photovoltaic power generation, a natural energy source. We have won orders for the Mega Solar Taketoyo Power Plant operated by Chubu Electric Power Co., Inc.; the Ukishima Solar Power Plant operated by Tokyo Electric

Power Company, Inc.; and the Miyako Island Microgrid Verification Test Facility, which will be operated by Okinawa Electric Power Company, Inc. On top of this, utilization of our SCiBTM rechargeable battery in electric vehicles is attracting close attention, and we are promoting this application as a means to realizing low-carbon transportation solutions.

In the fast expanding market for smartphones, our super-high-definition, low temperature polysilicon liquid crystal technology has won acceptance, while our leading-edge miniaturization of NAND flash memories secured rapid business recovery in this area.

In digital products, our line-up of REGZATM high-definition LCD TVs, which make full use of our super-resolution technology, has achieved widespread popularity among consumers thanks to excellent picture quality. This year we will build on that success by launching 3D LCD TVs and Blu-ray Disc recorders on the global market.

In addition to these growth businesses, Toshiba is actively promoting innovation and progress in emerging business areas, including LED lighting, vital public facilities and healthcare systems, and networks.

In developing these business activities, we take full advantage of our powers of imagination, supported by a sensitivity to the needs of the times and strong creative capabilities, to realize the innovation for which Toshiba is renowned. "Manufacturing DNA" is an integral part of our corporate identity, the source of our spirit of inquiry and passion. Combining these with a commitment to integrity and sound business operations promoted with sincerity, we intend to continue to contribute to society by supplying the world with a succession of products and services that can only be from Toshiba.

I look forward to your continued support and encouragement in the future.