

**FY2009 First Nine Months  
and Third Quarter  
Consolidated Business Results**

**Fumio Muraoka**

**Representative Executive Officer and  
Corporate Senior Executive Vice President  
January 29, 2010**

# Forward-looking Statements

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- This presentation contains forward-looking statements concerning Toshiba's future plans, strategies and performance.
- These forward-looking statements are not historical facts, rather they represent assumptions and beliefs based on economic, financial and competitive data currently available.
- Furthermore, they are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations and other factors. Toshiba therefore, wishes to caution that actual results may differ materially from our expectations.
- Toshiba's fiscal year runs from April 1 to March 31.
- All figures are consolidated totals for the first nine months of fiscal year 2009, unless otherwise indicated.

# Key Points of First 9 Months of FY2009

- **Net sales in all business segments decreased year-on-year, but steady implementation of fixed cost reductions resulted in increased profit for Social Infrastructure and improvement in the Semiconductor Business, resulting in a surplus in operating income.**
  - Operating income: 12.9 billion yen (YoY: +189.1 billion yen)
    - Social infrastructure: 55.4 billion yen (YoY: +20.1 billion yen)
    - Semiconductor Business: - 26.3 billion yen (YoY: +150.6 billion yen)
    - Fixed costs, YoY comparison: cut by 310.0 billion yen
- **3Q net sales increased YoY. 3Q operating income was in the black on the strength of Social Infrastructure's performance and recovery in the Semiconductor Business, most notably in NAND flash memories.**
  - Net Sales: 1,578.4 billion yen (YoY: +90.1 billion yen)
  - Operating income: 10.2 billion yen (YoY: +167.9 billion yen)
  - Net income before taxes: 1.0 billion yen (YoY: +142.3 billion yen)
- **Free cash flow significantly improved: +96.9 billion yen (YoY: +491.4 billion yen)**
  - Focus on balance sheet improvement by reducing interest-bearing debt
    - Interest-bearing debt 1,391.0 billion yen (-419.7 billion yen vs. March 2009)
    - D/E Ratio 189% (-216% vs. March 2009)

# FY2009 First 9 Months, Year-on-year

(¥ billions)

	FY09/ 1-3Q	FY08/ 1-3Q	Difference vs. FY08/1-3Q
	Net sales	4,534.1	4,983.0
Operating income(loss)	12.9 0.3%	-176.2 -3.5%	189.1 3.8%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	-45.8 -1.0%	-183.2 -3.7%	137.4 2.7%
Net income (loss) attributable to shareholders of the Company*	-68.3 -1.5%	-159.6 -3.2%	91.3 1.7%
Earnings (loss) per share attributable to shareholders of the Company*	¥-17.36	¥-49.32	¥31.96

\*"The Company" refers to Toshiba Corporation.

# FY2009 First 9 Months by Segment, Year-on-year

(¥ billions)

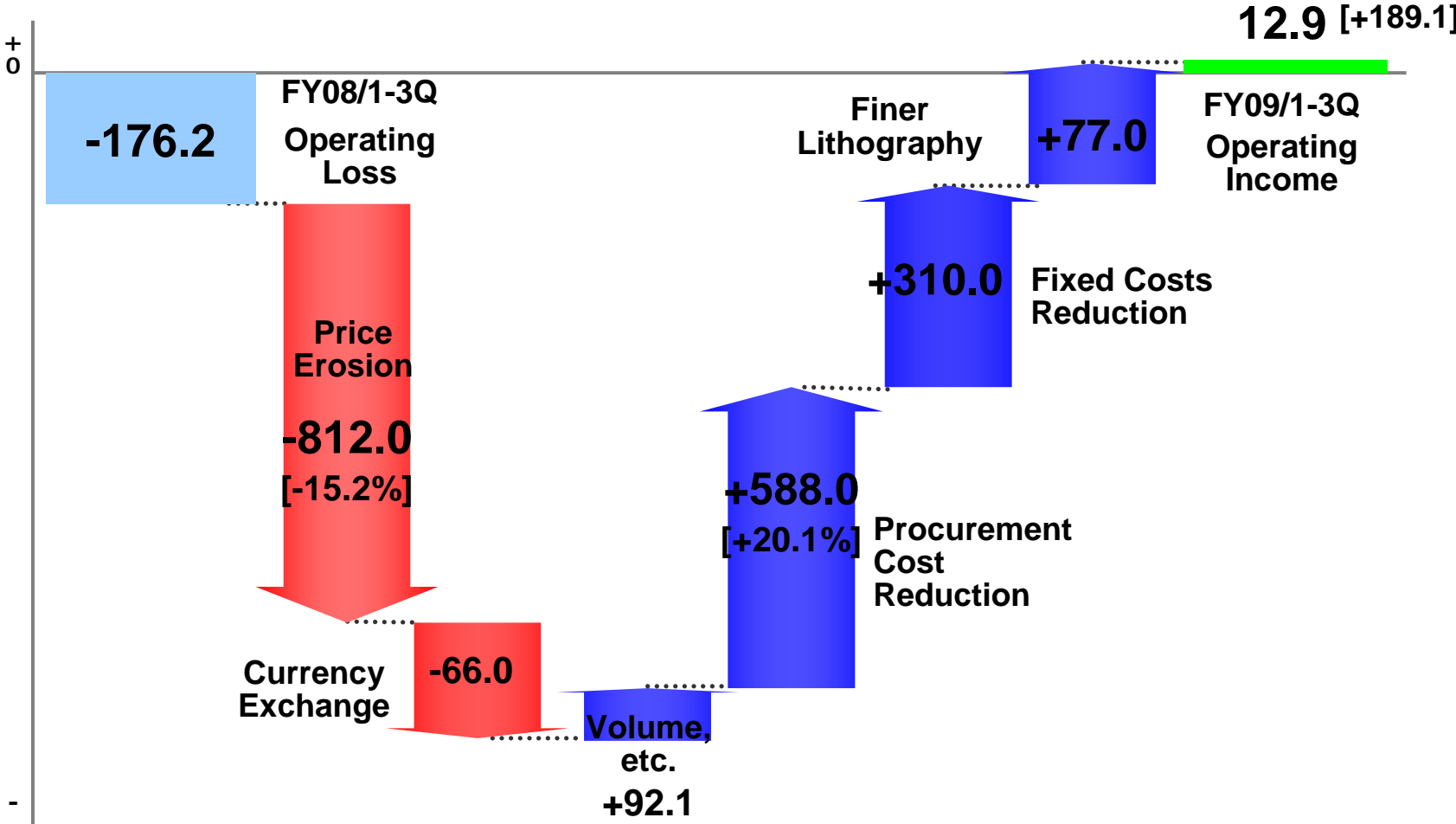
Net Sales	FY09/ 1-3Q	FY08/ 1-3Q	Difference
			vs. FY08/1-3Q
Digital Products	1,732.6	1,954.0	-221.4
Electronic Devices	952.8	1,080.9	-128.1
Social Infrastructure	1,545.8	1,587.3	-41.5
Home Appliances	427.5	524.2	-96.7
Others	227.3	258.3	-31.0
Total	4,534.1	4,983.0	-448.9

Operating Income (Loss)	FY09/ 1-3Q	FY08/ 1-3Q	Difference
			vs. FY08/1-3Q
Digital Products	13.9 0.8%	1.4 0.1%	12.5 0.7%
Electronic Devices	-45.7 -4.8%	-197.8 -18.3%	152.1 13.5%
Social Infrastructure	55.4 3.6%	35.3 2.2%	20.1 1.4%
Home Appliances	-8.7 -2.0%	-15.4 -2.9%	6.7 0.9%
Others	-2.3 -1.0%	0.4 0.1%	-2.7 -1.1%
Total	12.9 0.3%	-176.2 -3.5%	189.1 3.8%

# Operating Income (Loss), FY2008 and FY2009, First 9 Months

(¥ billions)

[ ] = Year-on-year comparison



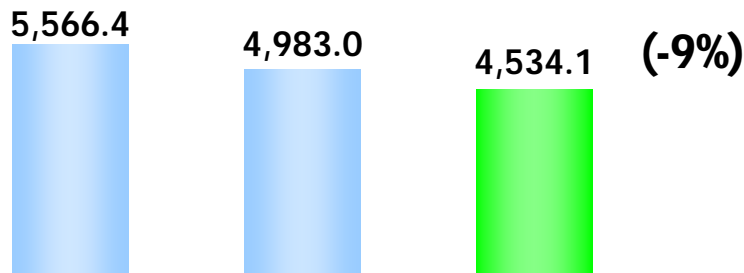
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# Overview, FY2009 First 9 Months Results

(Nine months from Apr. to Dec.)

(¥ billions)

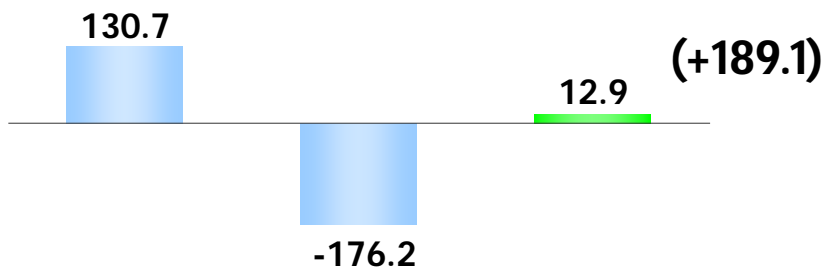
[ ] = Year-on-year comparison



## Net Sales: Decreased sales

Lower sales in all business segments.

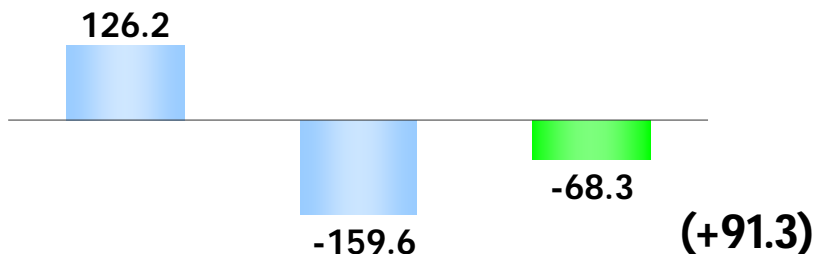
Net Sales 07 08 09



## Operating Income: Recorded a surplus

In the black for two consecutive quarters. Significant improvement in Electronic Devices, increases in Digital Products and Social infrastructure.

Operating Income (Loss) 07 08 09



## Net Income: Improved

Net loss narrowed on improved operating income, despite a higher non-operating loss and higher corporate tax.

Net Income (Loss) 07 08 09

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FY2009 First Nine Months and Third Quarter Consolidated Business Results

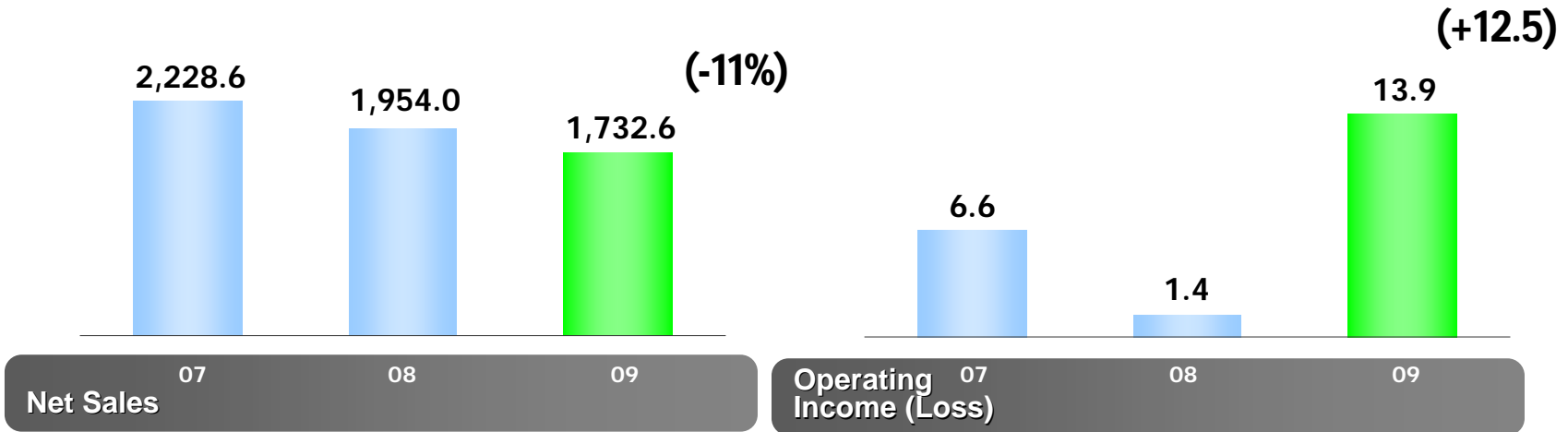
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# Digital Products, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ PCs, Retail Information Systems, Office Equipment, Audio Visual products including TVs, and Mobile Phones all saw decreased sales, due to the recession and continued price erosion.

■ Operating income increased on cost cutting and a healthy performance in Audio Visual products, especially TVs, even though PCs saw a decrease in operating income.

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FY2009 First Nine Months and Third Quarter

Consolidated Business Results

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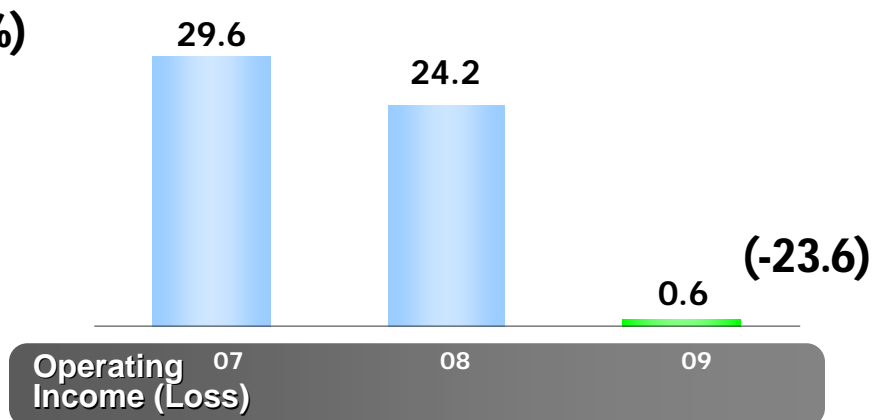
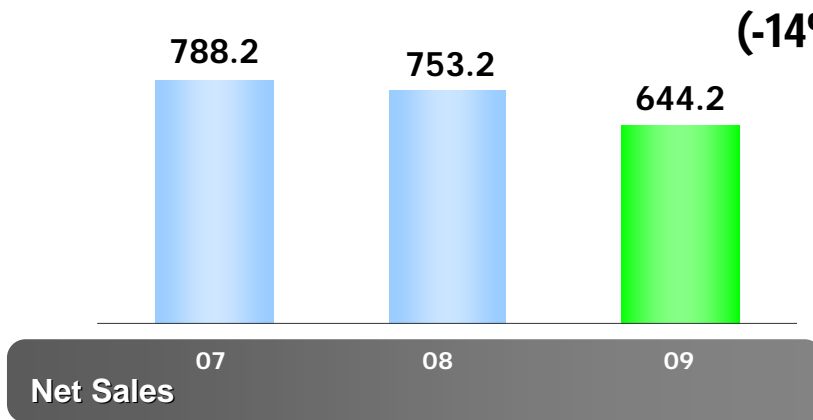


# PC Business, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ Price erosion, the trend to lower priced models, and a weak euro resulted in lower net sales, though unit sales increased.

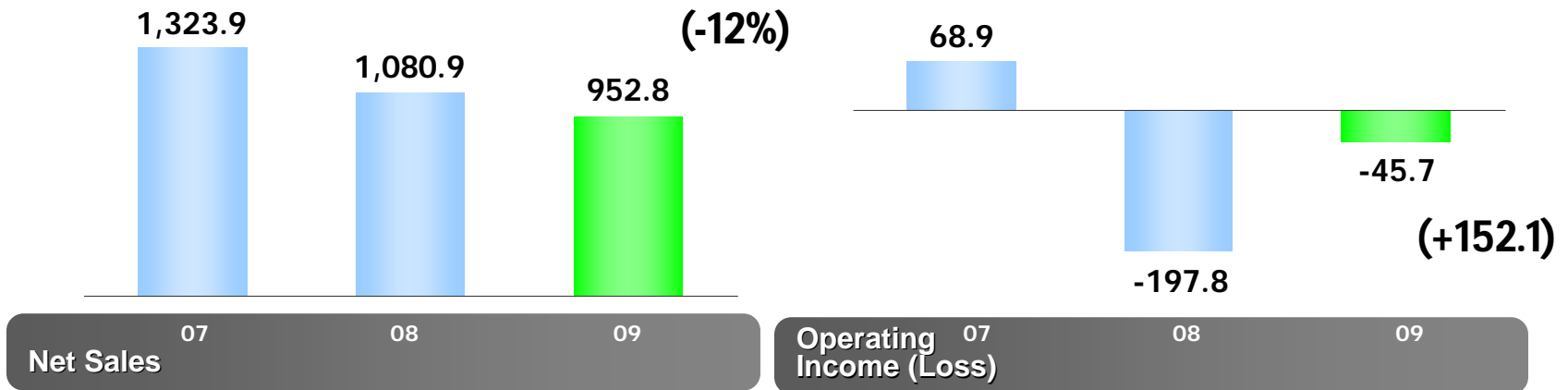
■ Price erosion and a weak euro led to lower operating income.

# Electronic Devices, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ Lower sales in the Semiconductor and LCD businesses contributed to an overall sales decrease.

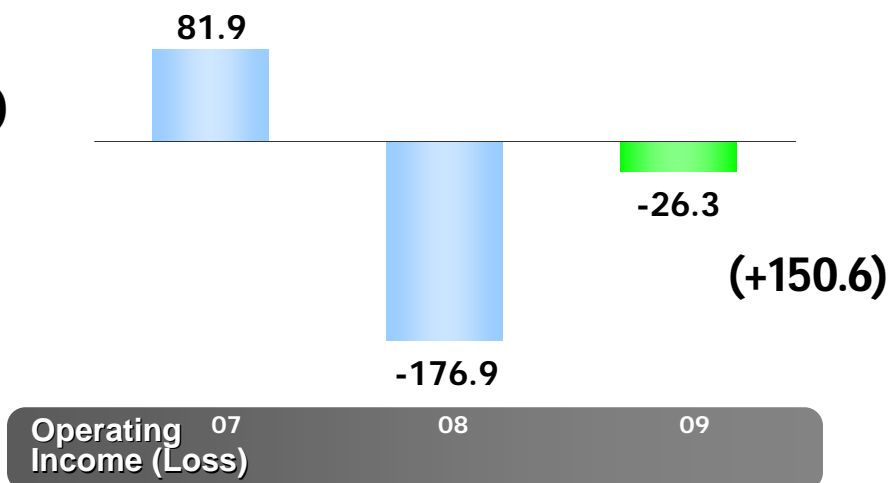
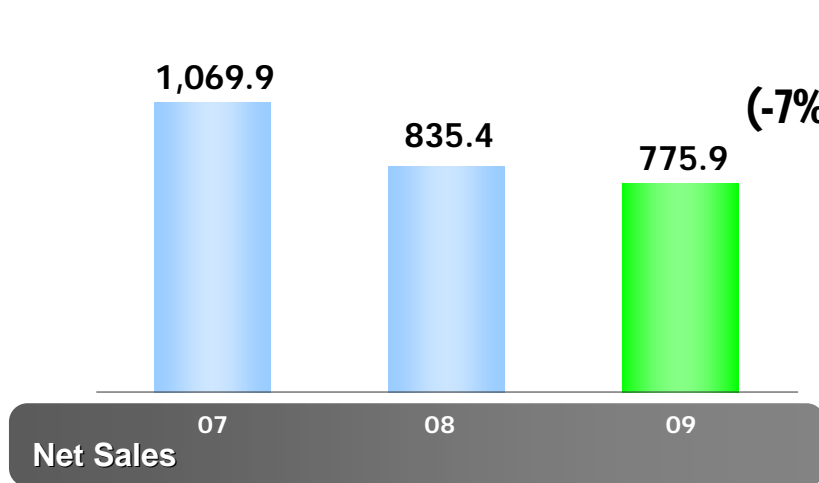
■ Despite lower sales, overall operating income improved due to significant improvement in the Semiconductor business.

# Semiconductor Business, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



Weaknesses in Discrete and System LSIs resulted in lower segment sales, though sales of Memories increased on higher demand for NAND Flash memories and price stability.

Despite lower sales and yen appreciation, the segment operating loss improved substantially on cost cutting, with Semiconductor securing profit for two consecutive quarters due to price stability in NAND flash memories.

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# Semiconductor Business Results Breakdown

(¥ billions)

Net Sales	FY09/1-3Q	FY08/1-3Q	vs. FY08/1-3Q
Discrete	141.6	165.0	-23.4
System LSI	258.1	347.5	-89.4
Memory	376.2	322.9	53.3
Semiconductor Total	775.9	835.4	-59.5

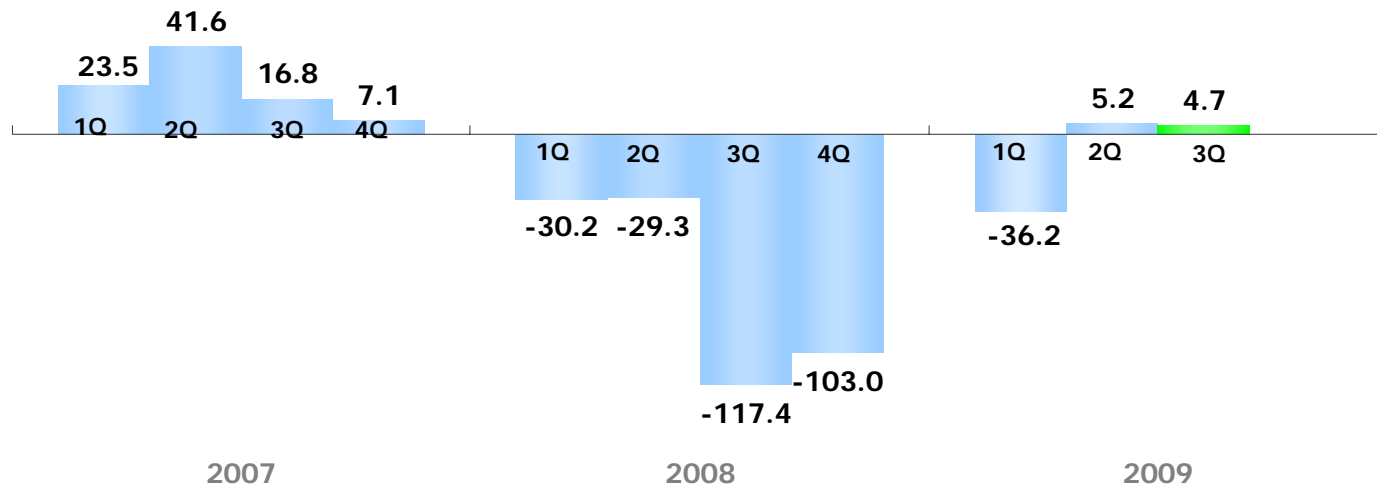
  

Operating Income (Loss)	FY09/1-3Q	FY08/1-3Q	vs. FY08/1-3Q
Semiconductor Total	-26.3	-176.9	150.6
	-3.4%	-21.2%	17.8%

# Semiconductor Business

## Quarterly Trend in Operating Income (Loss)

(¥ billions)



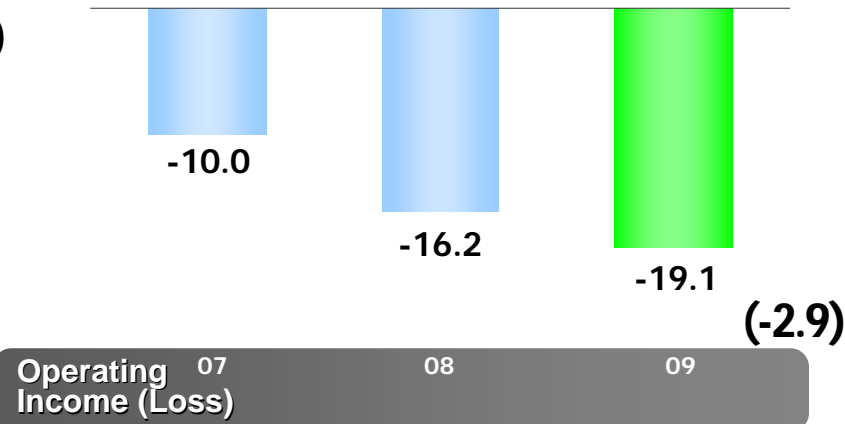
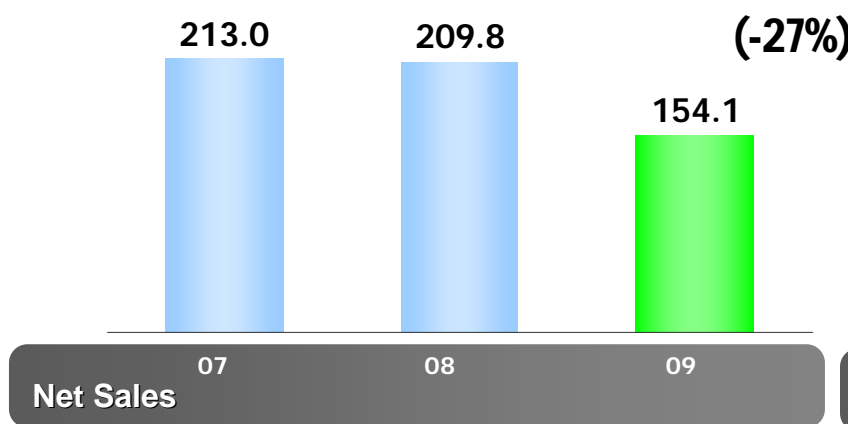
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# LCD Business, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ Lower net sales followed substantial declines in demand for LCDs for mobile equipment, PCs and automobiles.

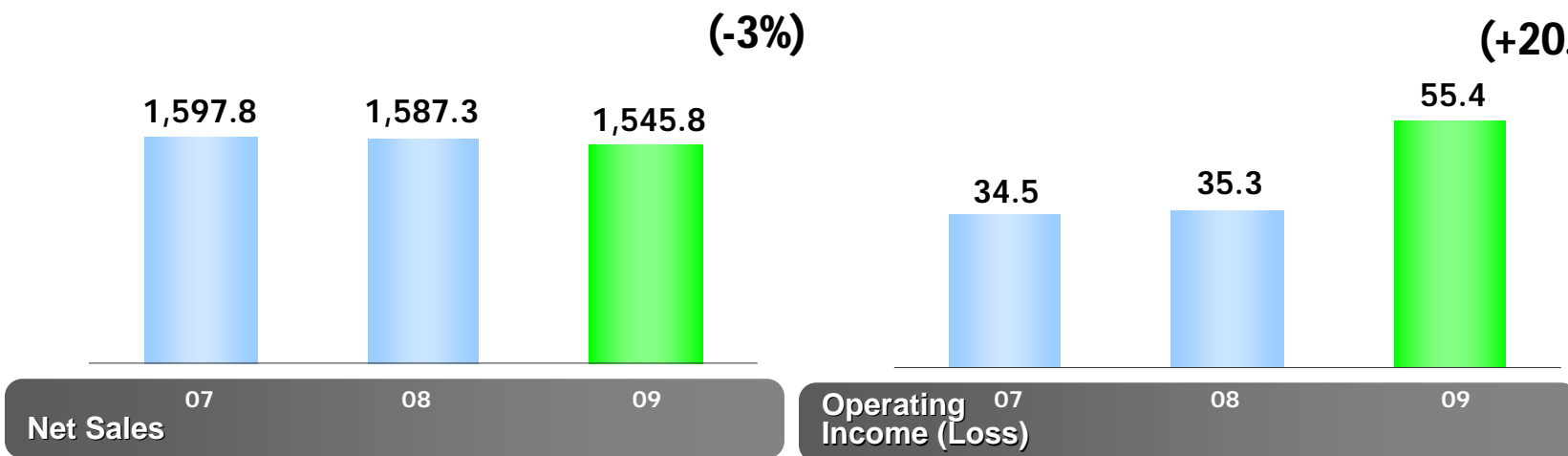
■ The operating loss widened as declines in demand, price erosion and yen appreciation brought sales down.

# Social Infrastructure, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ Sales increased on overseas demand for nuclear plant, but the impact of the global recession brought down overall net sales.

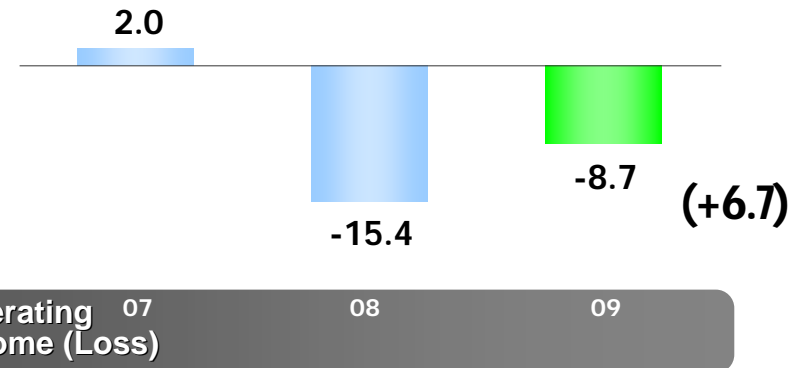
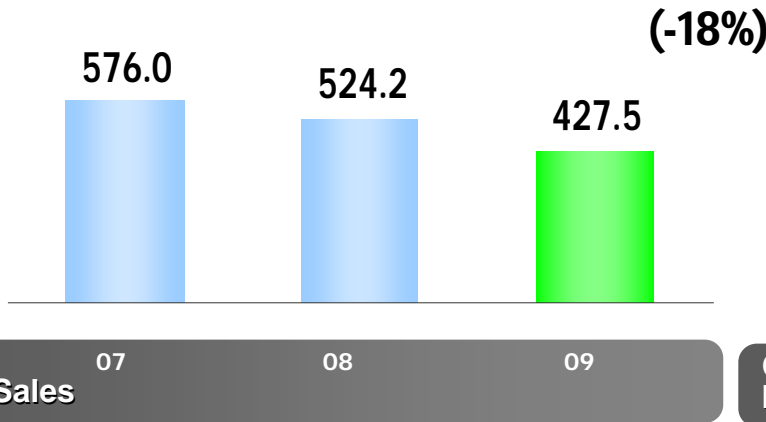
■ Increased operating income in the segment was mainly derived from increased sales in nuclear power, plus the effect of cost cutting.

# Home Appliances, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)

[ ] = Year-on-year comparison



■ The recession resulted in lower sales for White Goods, Lighting and Air-conditioning, which was also affected by mild weather.

■ Segment operating income improved on cost cutting in White Goods and General Lighting, despite lower sales in Air-conditioning and Lighting sources for industrial use, most notably CCFL.

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# Non-Operating Income (Loss) and Expenses, FY2009 First 9Ms

(¥ billions)

(Nine months from Apr. to Dec.)

	FY09/1-3Q	FY08/1-3Q	vs. FY08/1-3Q
Gain from sales of securities	1.0	75.8	-74.8
Loss from revaluation of securities	-5.8	-32.7	26.9
Loss on sales of fixed assets	-18.4	-3.6	-14.8
Equity in earnings of affiliates	12.2	5.4	6.8
Foreign exchange gain (loss)	3.2	-41.6	44.8
Net financial loss	-20.7	-10.6	-10.1
Others	-30.2	0.3	-30.5
Total	-58.7	-7.0	-51.7

# Fixed Costs Reduction Updates, by Industry Segment

(¥ billions)

	vs. FY08/1-3Q
Digital Products	-62.0
Electronic Devices	-132.0
Social Infrastructure	-68.0
Home Appliances	-37.0
Others	-11.0
Total	-310.0

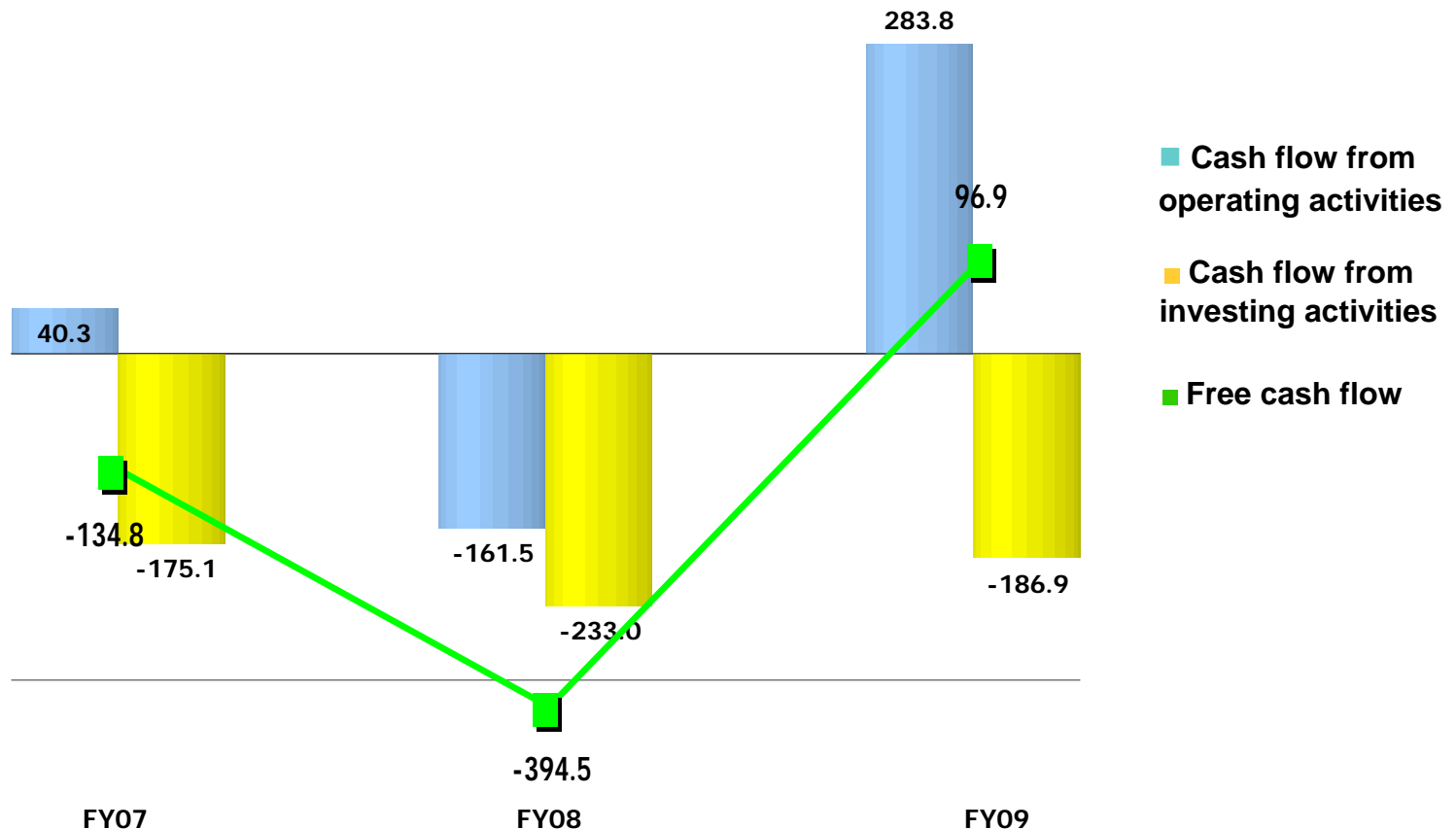
	vs. FY08/1-3Q
Depreciation & rent expenses under leases	-49.0
R&D cost	-50.0
Personnel cost	-56.0
Advertising cost & sales promotion	-22.0
Outsourcing	-29.0
Business activity cost	-22.0
Rental related	-25.0
Indirect manufacturing cost	-20.0
Others	-37.0
Total	-310.0

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# Cash Flows, FY2009 First 9 Months

(Nine months from Apr. to Dec.)

(¥ billions)



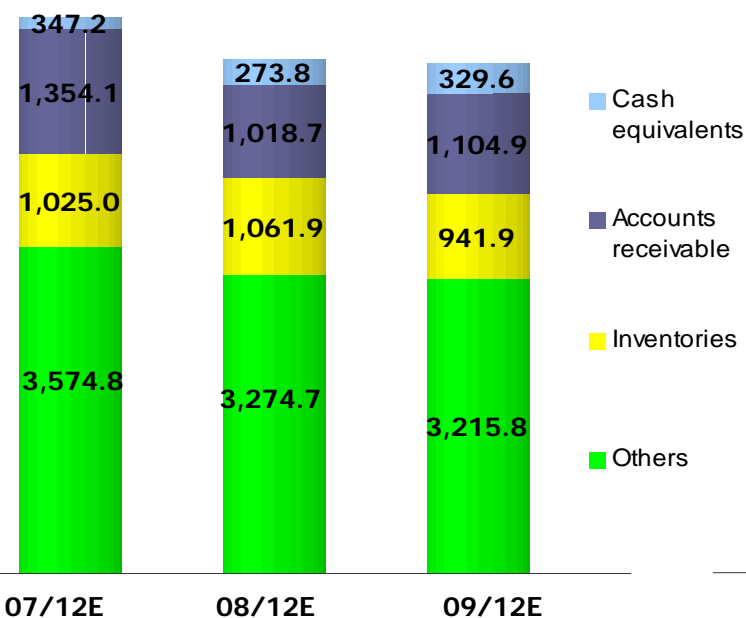
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# Consolidated Balance Sheets

(¥ billions)

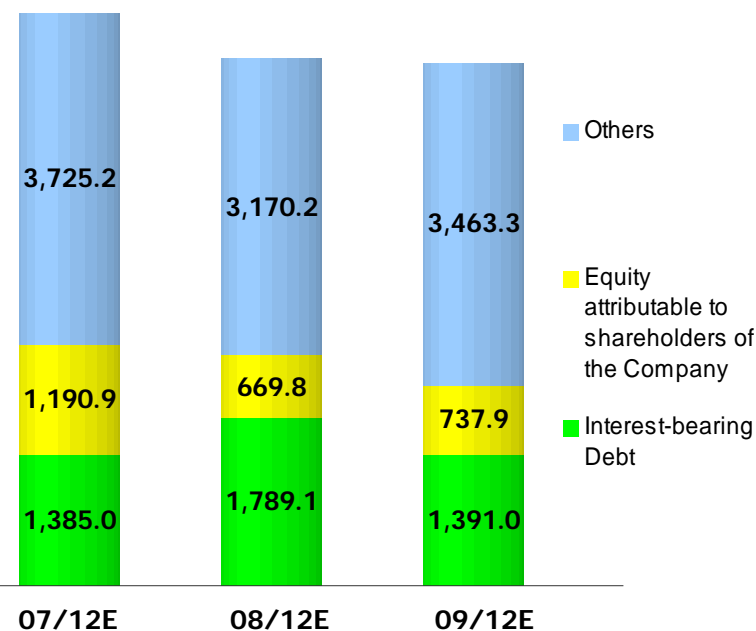
## Assets

6,301.1    5,629.1    5,592.2



## Liabilities and Equity

6,301.1    5,629.1    5,592.2



# Total Equity

(¥ billions)

	09/12E	09/3E	Difference
Common Stock	439.9	280.3	159.6
Additional paid-in capital	444.3	291.1	153.2
Retained earnings	326.8	395.1	-68.3
Accumulated other comprehensive loss	-471.8	-518.0	46.2
Treasury stock	-1.3	-1.2	-0.1
Equity attributable to shareholders of the Company	737.9	447.3	290.6
Noncontrolling interests	336.1	312.0	24.1
Total equity	1,074.0	759.3	314.7
Shareholder's Equity / Total asset ratio	13.2%	8.2%	5.0%

\* Following the adoption of ASC 810, "Consolidation" effective April 1, 2009, equivalent to the former SFAS No.160, total equity presents the aggregate sum of equity attributable to shareholders of the Company and equity attributable to noncontrolling interests (previously presented as "minority interest in consolidated subsidiaries"). In addition, the names and or some parts of the items used in the consolidated financial statement have been changed. As a result, presentations and disclosures in consolidated financial statements have been reclassified retrospectively for all periods presented.

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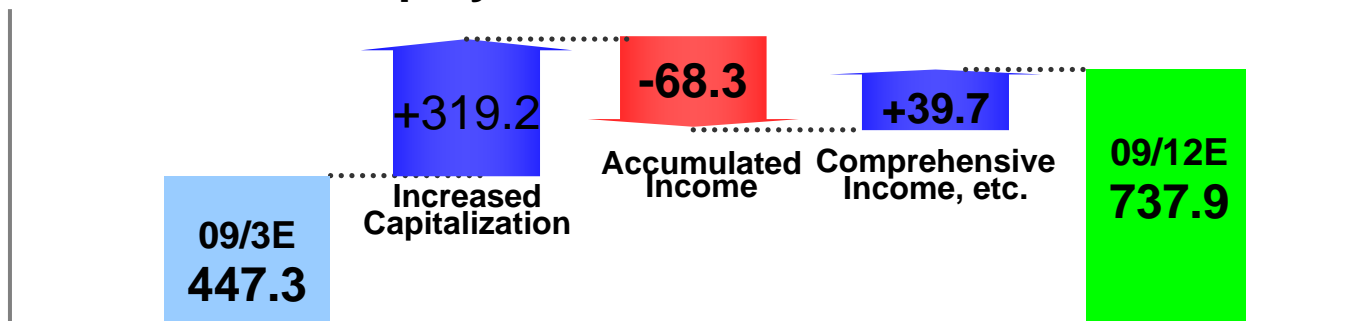
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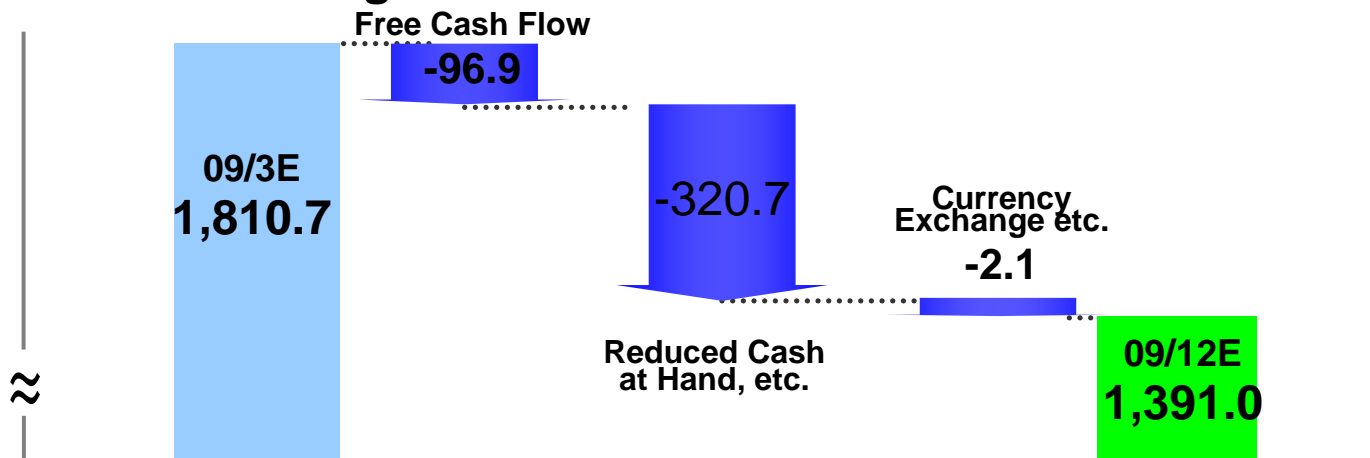
# Shareholder's Equity and Interest-bearing Debt

(¥ billions)

## Shareholder's Equity

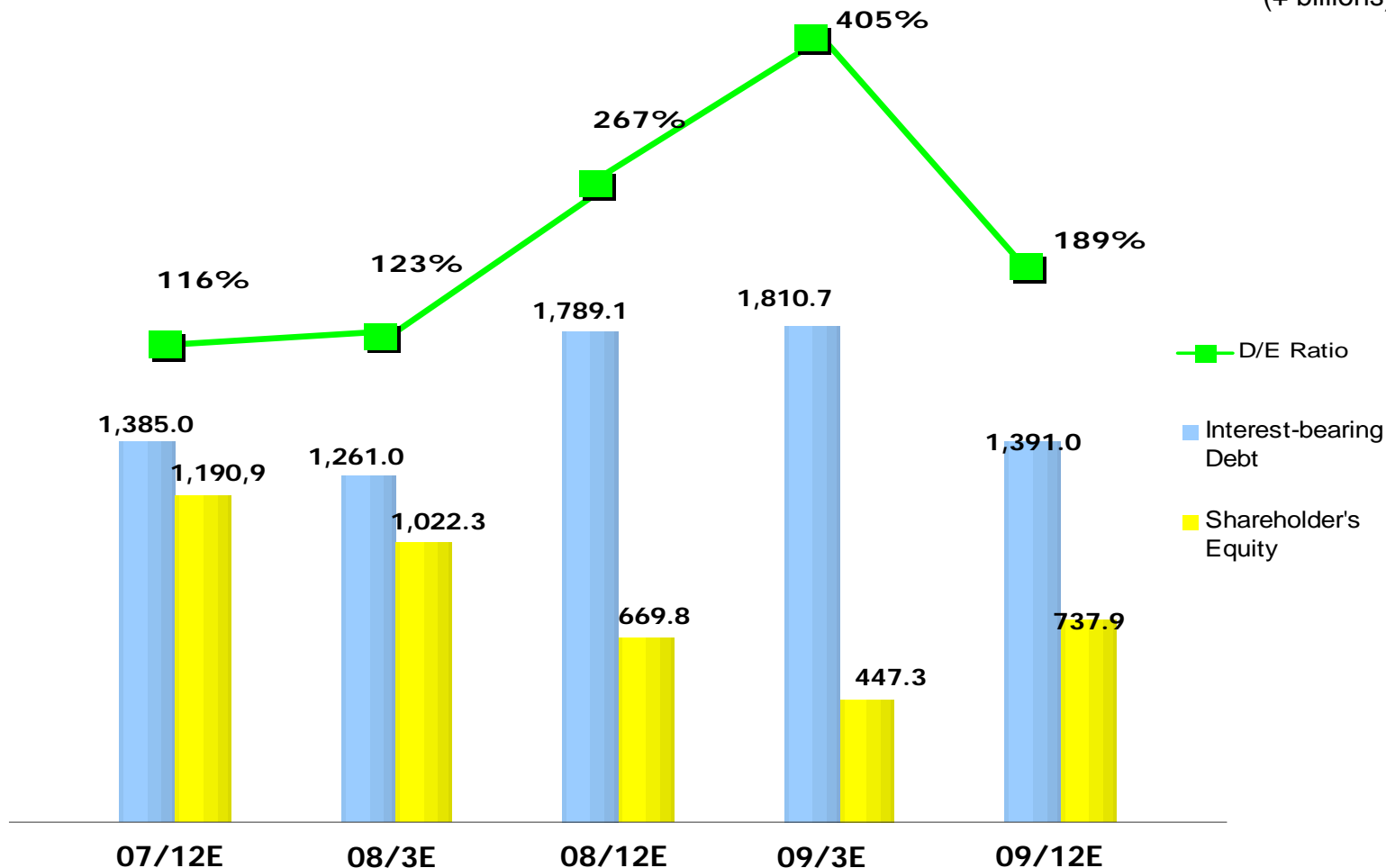


## Interest-bearing Debt



# DE Ratio

(¥ billions)



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# FY2009 3Q, Year-on-year

(¥ billions)

	FY09/3Q	FY08/3Q	Difference
			vs. FY08/3Q
Net sales	1,578.4	1,488.3	90.1
Operating income (loss)	10.2 0.6%	-157.7 -10.6%	167.9 11.2%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	1.0 0.1%	-141.3 -9.5%	142.3 9.6%
Net income (loss) attributable to shareholders of the Company	-10.6 -0.7%	-121.1 -8.1%	110.5 7.4%



# FY2009 3Q by Segment, Year-on-year

(¥ billions)

Net Sales	FY09/3Q	FY08/3Q	Difference
			vs. FY08/3Q
Digital Products	653.9	577.3	76.6
Electronic Devices	326.4	303.2	23.2
Social Infrastructure	499.2	497.1	2.1
Home Appliances	142.6	158.8	-16.2
Others	79.5	81.0	-1.5
Total	1,578.4	1,488.3	90.1

Operating Income (Loss)	FY09/3Q	FY08/3Q	Difference
			vs. FY08/3Q
Digital Products	2.7 0.4%	-27.3 -4.7%	30.0 5.1%
Electronic Devices	-7.2 -2.2%	-134.3 -44.3%	127.1 42.1%
Social Infrastructure	16.0 3.2%	11.5 2.3%	4.5 0.9%
Home Appliances	-1.2 -0.8%	-8.3 -5.2%	7.1 4.4%
Others	-0.1 -0.1%	1.0 1.3%	-1.1 -1.4%
Total	10.2 0.6%	-157.7 -10.6%	167.9 11.2%

# FY2009 Forecast, Cash Dividend

	FY09	FY08	Plan	Difference		(¥ billions)
				vs. FY08	vs. Plan	
Net sales	6,400.0	6,654.5	6,800.0	-254.5	-400.0	
Operating income (loss)	100.0 1.6%	-250.2 -3.8%	100.0 1.5%	350.2 5.4%	0.0 0.1%	
Income (loss) from continuing operations, before income taxes and noncontrolling interests	0.0 0.0%	-279.3 -4.2%	0.0 0.0%	279.3 4.2%	0.0 0.0%	
Net income (loss) attributable to shareholders of the Company	-50.0 -0.8%	-343.6 -5.2%	-50.0 -0.7%	293.6 4.4%	0.0 -0.1%	
Earnings (loss) per share attributable to shareholders of the Company	¥-11.80	¥-106.18	¥-11.80	¥94.38	¥0.00	
Cash dividend per share	¥0	¥5	—	¥-5	—	

- Net income (loss) attributable to shareholders of the Company is expected to be negative in FY2009. Therefore, the Company will regretfully forgo payment of a year-end dividend.

# FY2009 Forecast, by Segment

(¥ billions)

Net Sales	FY09	FY08	Plan	Difference	
				vs. FY08	vs. Plan
Digital Products	2,380.0	2,467.5	2,450.0	-87.5	-70.0
Electronic Devices	1,300.0	1,324.9	1,350.0	-24.9	-50.0
Social Infrastructure	2,330.0	2,396.2	2,570.0	-66.2	-240.0
Home Appliances	580.0	674.3	680.0	-94.3	-100.0
Others	300.0	334.3	320.0	-34.3	-20.0
Total	6,400.0	6,654.5	6,800.0	-254.5	-400.0

Operating Income (Loss)	FY09	FY08	Plan	Difference	
				vs. FY08	vs. plan
Digital Products	5.0 0.2%	-14.2 -0.6%	25.0 1.0%	19.2 0.8%	-20.0 -0.8%
Electronic Devices	-30.0 -2.3%	-323.2 -24.4%	-60.0 -4.4%	293.2 22.1%	30.0 2.1%
Social Infrastructure	140.0 6.0%	113.2 4.7%	150.0 5.8%	26.8 1.3%	-10.0 0.2%
Home Appliances	-10.0 -1.7%	-27.1 -4.0%	0.0 0.0%	17.1 2.3%	-10.0 -1.7%
Others	-5.0 -1.7%	0.5 0.2%	-15.0 -4.7%	-5.5 -1.9%	10.0 3.0%
Total	100.0 1.6%	-250.2 -3.8%	100.0 1.5%	350.2 5.4%	0.0 0.1%

# FY2009 Forecast, by Business Domains

(¥ billions)

		FY09	FY08	Plan	Difference	
					vs. FY08	vs. Plan
Personal Computers	Net sales	890.0	955.3	900.0	-65.3	-10.0
	Operating income (loss)	-10.0	14.5	15.0	-24.5	-25.0
	%	-1.1%	1.5%	1.7%	-2.6%	-2.8%
Semiconductors	Net sales	1,060.0	1,023.2	1,050.0	36.8	10.0
	Operating income (loss)	0.0	-279.9	-50.0	279.9	50.0
	%	0.0%	-27.4%	-4.8%	27.4%	4.8%
LCDs	Net sales	210.0	255.7	240.0	-45.7	-30.0
	Operating income (loss)	-28.0	-36.2	0.0	8.2	-28.0
	%	-13.3%	-14.2%	0.0%	0.9%	-13.3%
Power and Industrial Systems	Net sales	1,315.0	1,339.9	1,510.0	-24.9	-195.0
	Operating income (loss)	84.0	67.6	84.0	16.4	0.0
	%	6.4%	5.0%	5.6%	1.4%	0.8%
Medical Systems	Net sales	345.0	358.9	360.0	-13.9	-15.0
	Operating income (loss)	18.0	23.8	26.0	-5.8	-8.0
	%	5.2%	6.6%	7.2%	-1.4%	-2.0%

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## Leading Innovation >>>

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