

TOSHIBA

Leading Innovation >>>

FY2013 First Six Months and the Second Quarter Consolidated Business Results

Makoto Kubo

**Representative Executive Officer and
Corporate Senior Executive Vice President**

TOSHIBA CORPORATION

October 30, 2013

Forward-looking Statements

- This presentation contains forward-looking statements concerning Toshiba Group'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.
- As a global entity, operating a wide range of businesses in countries and regions with widely different market environments, Toshiba wishes to caution that actual results may differ materially from our expectations due to 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.
- All figures are consolidated totals for the first 6 months of fiscal year 2013, unless otherwise indicated.
- Prior-period performance on consolidated segment information has been reclassified to conform with the classification as of September 30, 2013.
- Following the acquisition of the Retail Store Solutions business of IBM in July 2012, the Company completed the allocation of the cost of the acquisition to assets and liabilities in the current fiscal year. Results for FY2012 have been revised to reflect this change.

Key Points of First 6 Months of FY2013

- **Electronic Devices recorded a significant sales increase on higher prices and higher volume sales of memories. Social Infrastructure saw a continued increase in overall sales on growth in Social Systems, including Photovoltaic Power Systems, Elevator and Building Systems and Medical Systems. Digital Products recorded higher on a positive performance at Toshiba TEC, and Home Appliances also saw increased sales.**
 - **Net Sales: 3,039.2 billion yen (YoY: +353.3 billion yen)**
- **Overall operating income increased YoY, supported by the highest ever increase in Electronic Devices and despite YoY decreases in Digital Products, Social Infrastructure and Home Appliances. Income before income taxes and noncontrolling interests also increased. Net income attributable to shareholders of the Company decreased due to an increase in the tax expense, but surpasses the initial forecast.**
 - **Operating Income: 105.6 billion yen (YoY: +36.9 billion yen)**
 - **Income before income taxes and noncontrolling interests: 51.9 billion yen (YoY: +9.2 billion yen)**
 - **Net income: 21.5 billion yen (YoY: -3.6 billion yen)**
- **The D/E ratio was 138%, a 30-point improve from the year-earlier period.**
- **An interim dividend of 4 yen per share has been determined.**

FY2013 First 6 Months Overall, year-on-year

(Yen in billions, except earnings (losses) per share)

	FY13/1H	FY12/1H	Forecast (as of May 8)	Difference	
				vs. FY12/1H	vs. Forecast
Net Sales	3,039.2	2,685.9	2,800.0	353.3	239.2
Operating Income (loss)	105.6	68.7	90.0	36.9	15.6
%	3.5%	2.6%	3.2%	0.9%	0.3%
Income (loss) before income taxes and noncontrolling interests	51.9	42.7	40.0	9.2	11.9
%	1.7%	1.6%	1.4%	0.1%	0.3%
Net Income (loss)*	21.5	25.1	19.0	-3.6	2.5
%	0.7%	0.9%	0.7%	-0.2%	0.0%
Earnings (losses) per share attributable to shareholders of the Company**	¥5.08	¥5.94	-	¥-0.86	-

* "Net income (loss)" refers to Net income (loss) attributable to shareholders of the Company hereinafter.

** "the Company" refers to Toshiba Corporation hereinafter.

FY2013 First 6 Months by Segment, year-on-year

(Yen in billions)

Net Sales	FY13/1H	FY12/1H	Forecast (as of May 8)	Difference	
				vs. FY12/1H	vs. Forecast
Digital Products	715.8	685.2	690.0	30.6	25.8
Electronic Devices	878.6	616.7	750.0	261.9	128.6
Social Infrastructure	1,211.8	1,145.3	1,210.0	66.5	1.8
Home Appliances	313.8	291.8	320.0	22.0	-6.2
Others	147.9	158.8	150.0	-10.9	-2.1
Total	3,039.2	2,685.9	2,800.0	353.3	239.2

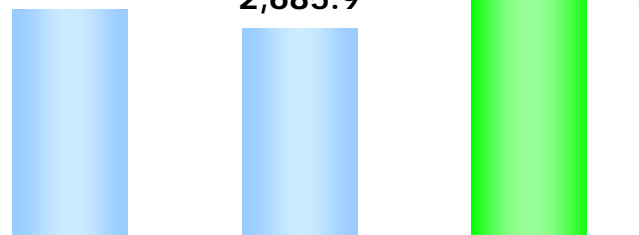
Operating Income (loss)	FY13/1H	FY12/1H	Forecast (as of May 8)	Difference	
				vs. FY12/1H	vs. Forecast
Digital Products	-19.2	-3.4	5.0	-15.8	-24.2
%	-2.7%	-0.5%	0.7%	-2.2%	-3.4%
Electronic Devices	113.7	27.6	75.0	86.1	38.7
%	12.9%	4.5%	10.0%	8.4%	2.9%
Social Infrastructure	23.4	49.2	40.0	-25.8	-16.6
%	1.9%	4.3%	3.3%	-2.4%	-1.4%
Home Appliances	-6.4	2.1	5.0	-8.5	-11.4
%	-2.0%	0.7%	1.6%	-2.7%	-3.6%
Others	-5.6	-6.3	-5.0	0.7	-0.6
%	-3.8%	-3.9%	-3.3%	0.1%	-0.5%
Total	105.6	68.7	90.0	36.9	15.6
%	3.5%	2.6%	3.2%	0.9%	0.3%

Overview, FY2013 First 6 Months Results

(Yen in billions)

[] = Year-on-year comparison

2,912.5 2,685.9 3,039.2 (+13%)



Net sales

11

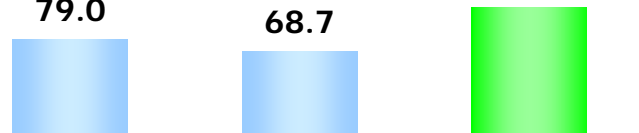
12

13

Higher Sales

Overall sales increased as all segments, most notably Electronic Devices, saw sales growth.

79.0 68.7 105.6 (+36.9)



Operating income (loss)

11

12

13

Higher Operating Income

Higher operating income reflected a significant increase in Electronic Devices.

20.3 25.1 21.5 (-3.6)



Net income (loss)

11

12

13

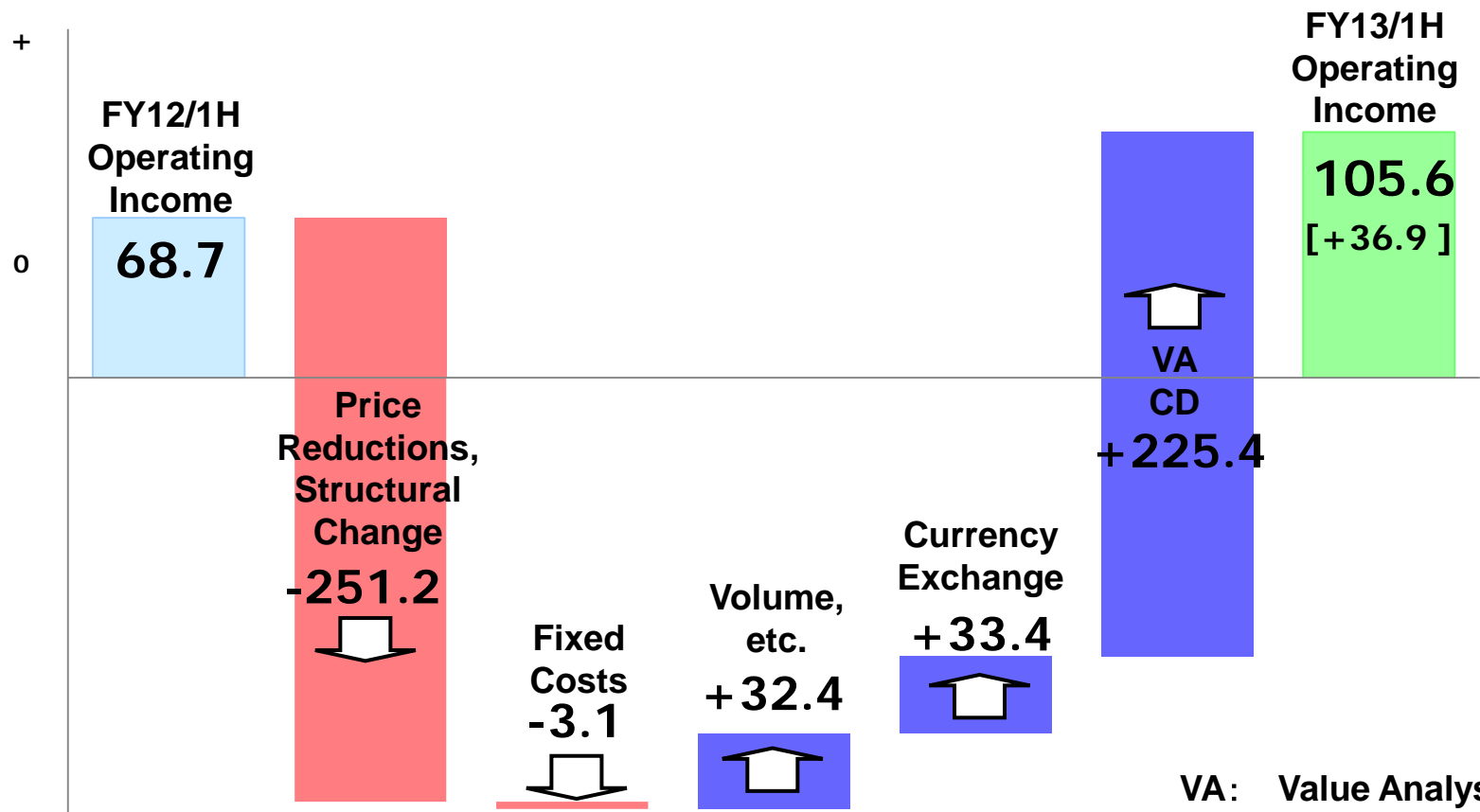
Lower Net Income

Net income decreased due to a higher tax expense.

Operating Income (Loss) Analysis, FY2013 First 6 Months

(Yen in billions)

[] = Year-on-year comparison

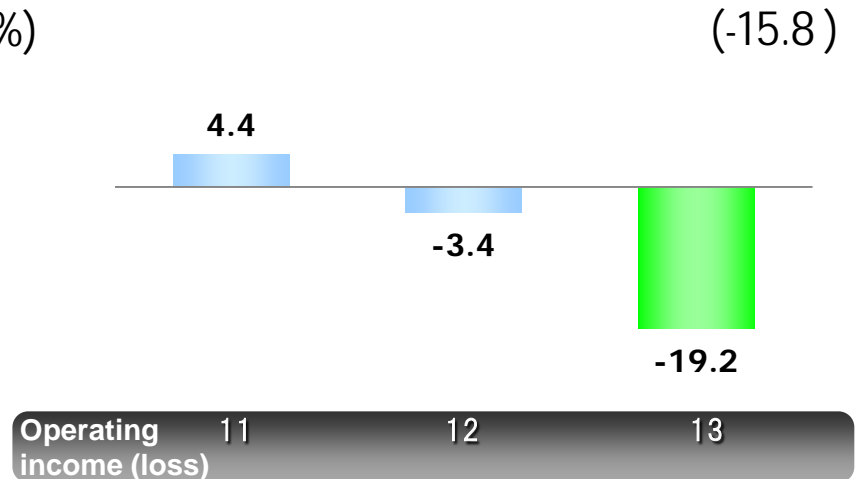
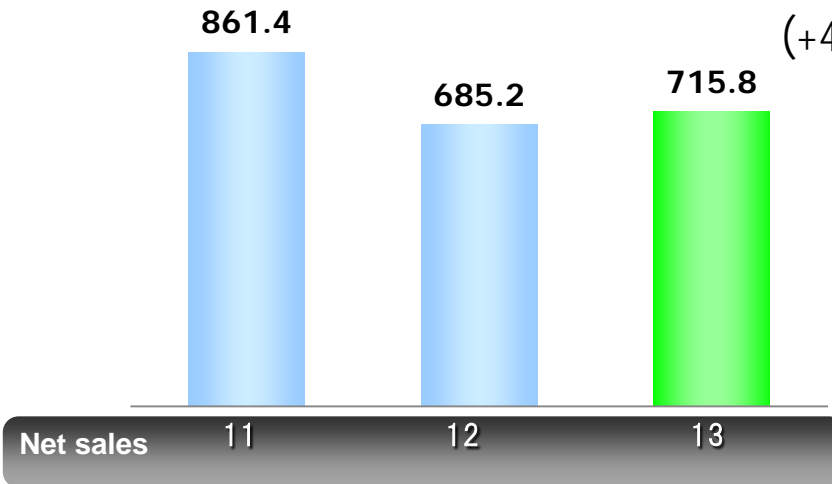


VA: Value Analysis
CD: Cost Down

Digital Products, FY2013 First 6 Months

(Yen in billions)

[] = Year-on-year comparison



- Higher sales at Toshiba TEC, mainly in POS, following the acquisition of IBM's retail store solutions business, resulted in higher segment sales. LCD TVs saw recovery in Japan but a decline in the United States. Overall sales decreased on lower demand for PCs.

- The segment operating loss increased, but Toshiba TEC recorded increases and LCD TVs improved on structural reform.
- The PC business recorded a loss due to a fall-off in demand, although the loss was half that in 1Q.

Digital Products Business Results Breakdown

(Yen in billions)

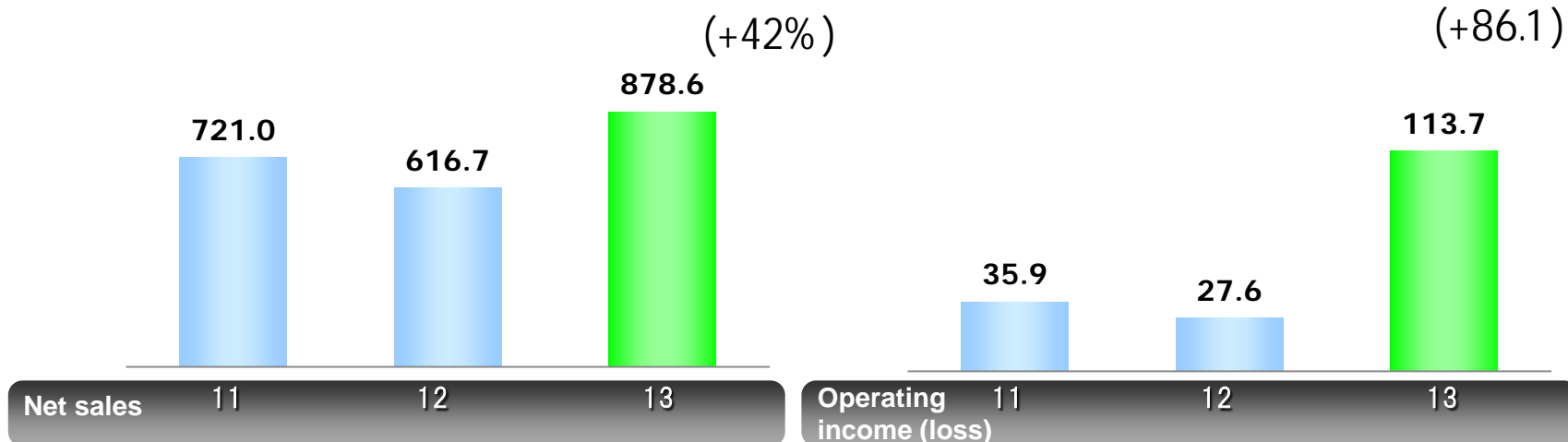
Net Sales	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
TV	111.9	126.8	-14.9
PC	332.3	342.4	-10.1
Toshiba TEC	247.9	189.3	58.6

Operating Income (Loss)	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
Digital Products Total	-19.2	-3.4	-15.8

Electronic Devices, FY2013 First 6 Months

(Yen in billions)

[] = Year-on-year comparison



- Segment sales increased significantly on higher prices and volume sales of memories, and the consolidation of NuFlare Technology.

- Alongside significant growth in Memories, System LSIs secured positive results in 2Q. Overall, the segment recorded its highest ever operating income on a half-year basis, due in part to the consolidation of NuFlare Technology.
- Storage Products secured profit despite lower demand for PCs.

Semiconductor & Storage Products Business Results Breakdown

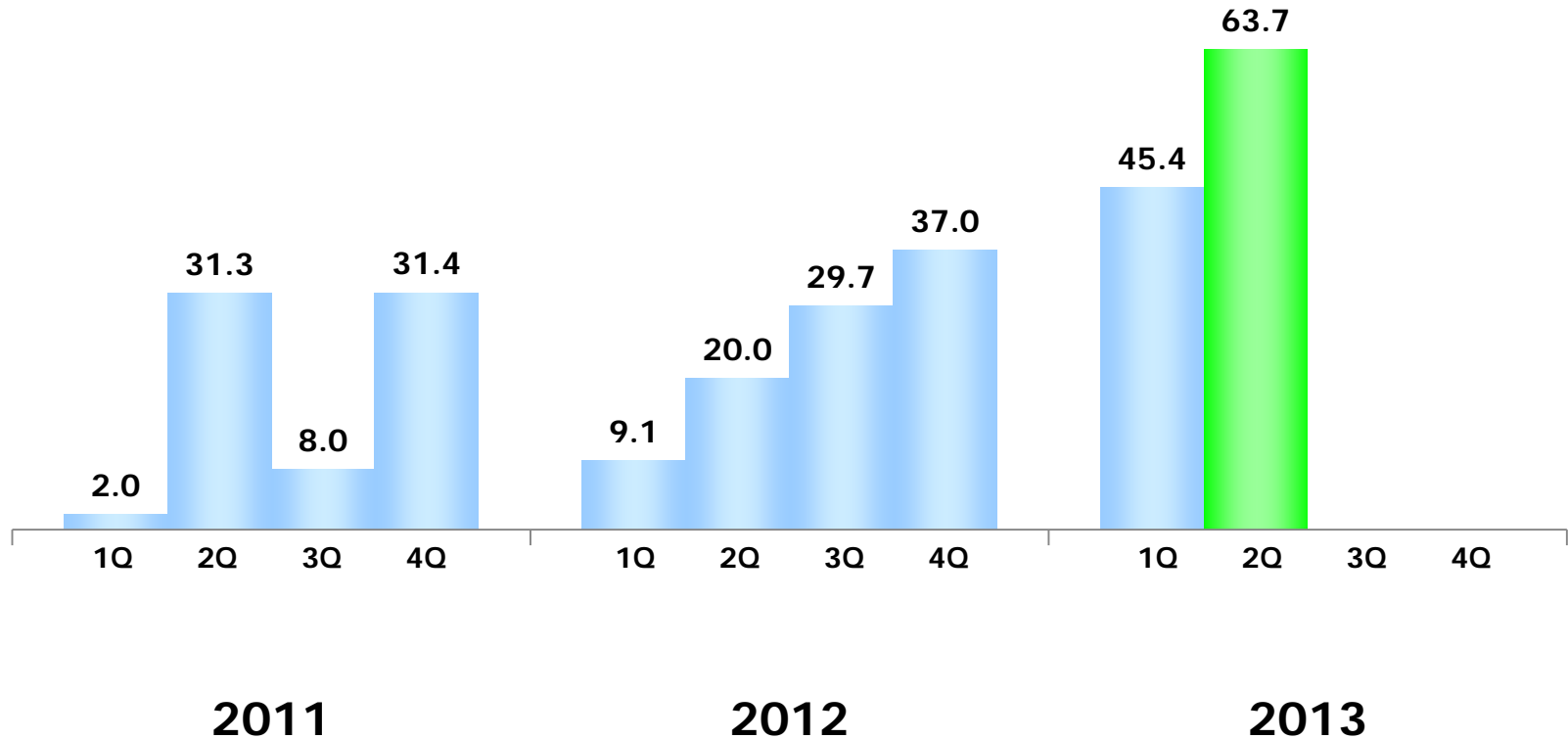
(Yen in billions)

Net Sales	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
Discrete	77.0	77.5	-0.5
System LSI	103.5	115.7	-12.2
Memory	434.5	207.2	227.3
Semiconductor Total	615.0	400.4	214.6
Storage Products	224.0	204.9	19.1

Operating Income (Loss)	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
Semiconductor & Storage Products Total	109.1	29.1	80.0

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

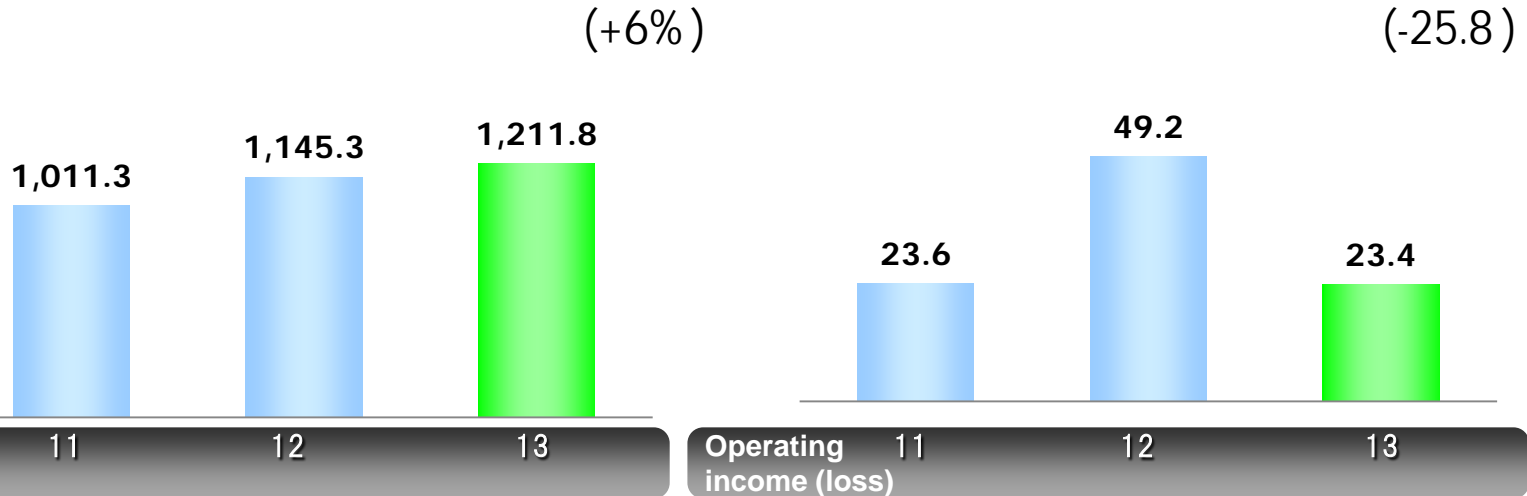
(Yen in billions)



Social Infrastructure, FY2013 First 6 Months

(Yen in billions)

[] = Year-on-year comparison



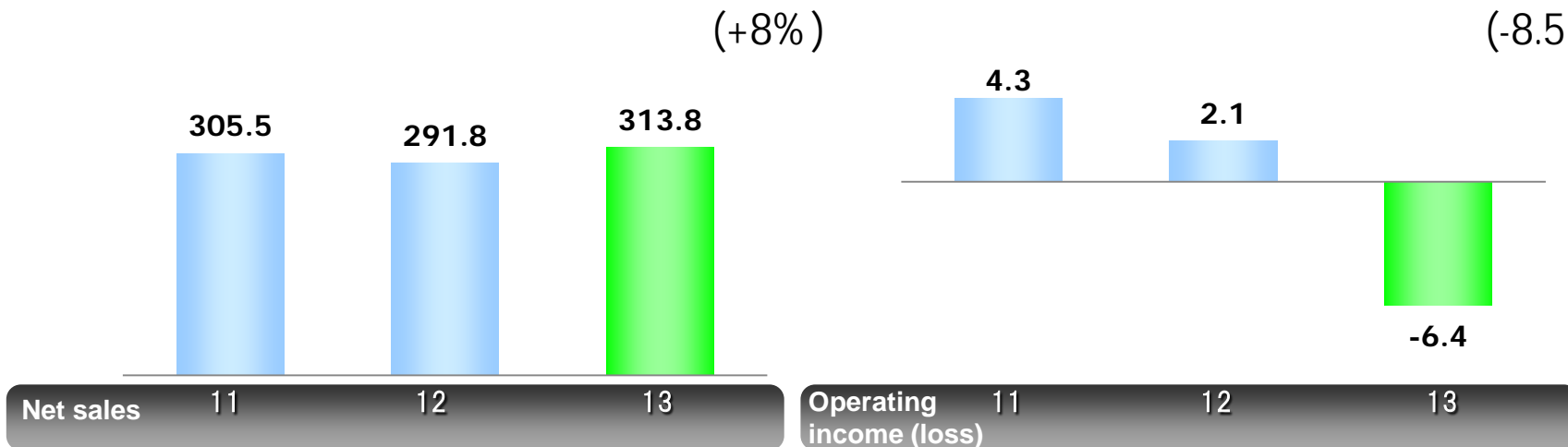
■ Segment sales increased despite reduced sales in Thermal Power Systems and Nuclear Power Systems in Japan. Social Infrastructure, including Photovoltaic Power Systems, automotive equipment and industrial equipment, saw sales continue to increase. Elevators and Medical Systems also recorded solid performances.

■ Operating income decreased on lower demand in domestic Nuclear Power Systems, and a decline in the fuel business in overseas Nuclear Power Systems. Thermal Power Systems saw a decrease but secured high profitability. Photovoltaic Power Systems, Elevators and Medical Systems all recorded increases.

Home Appliances, FY2013 First 6 Months

(Yen in billions)

[] = Year-on-year comparison



■ Home Appliances recorded an overall increase in sales due to growth of White Goods.

■ Operating income deteriorated YoY mainly in White Goods, affected by yen depreciation, but improved in the 2Q compared to 1Q.

FY2013 2Q Overall, year-on-year

(Yen in billions)

	FY13/2Q	FY12/2Q	Difference
			vs. FY12/2Q
Net Sales	1,648.6	1,417.0	231.6
Operating Income (loss)	81.3	57.2	24.1
%	4.9%	4.0%	0.9%
Income (loss) before income taxes and noncontrolling interests	34.5	57.4	-22.9
%	2.1%	4.1%	-2.0%
Net Income (loss)	16.2	37.2	-21.0
%	1.0%	2.6%	-1.6%

FY2013 2Q Overall by Segment, year-on-year

(Yen in billions)

Net Sales	FY13/2Q	FY12/2Q	Difference
			vs. FY12/2Q
Digital Products	381.3	345.8	35.5
Electronic Devices	467.1	309.0	158.1
Social Infrastructure	671.5	645.1	26.4
Home Appliances	168.9	150.2	18.7
Others	78.3	78.0	0.3
Total	1,648.6	1,417.0	231.6

Operating Income (Loss)	FY13/2Q	FY12/2Q	Difference
			vs. FY12/2Q
Digital Products	-2.9	-0.1	-2.8
%	-0.8%	0.0%	-0.8%
Electronic Devices	65.8	18.2	47.6
%	14.1%	5.9%	8.2%
Social Infrastructure	22.3	41.2	-18.9
%	3.3%	6.4%	-3.1%
Home Appliances	-0.4	2.0	-2.4
%	-0.3%	1.3%	-1.6%
Others	-4.0	-3.9	-0.1
%	-5.1%	-5.0%	-0.1%
Total	81.3	57.2	24.1
%	4.9%	4.0%	0.9%

FY2013 Overall by Segment, 1Q/2Q comparison

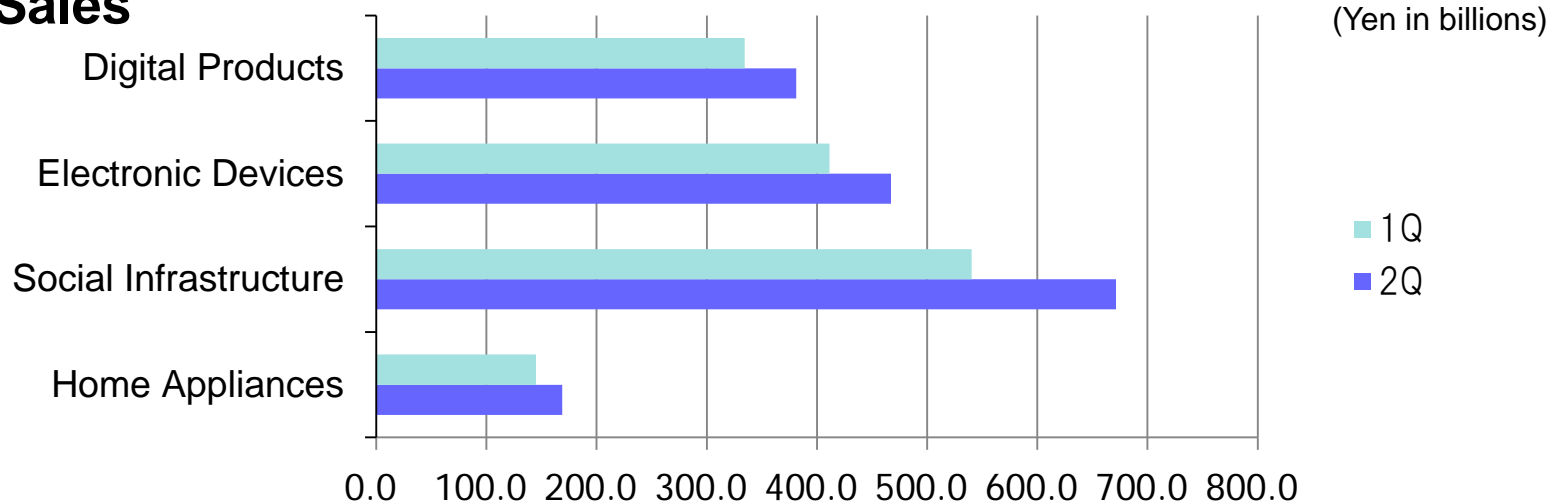
(Yen in billions)

Net Sales	FY13		
	1Q	2Q	1H
Digital Products	334.5	381.3	715.8
Electronic Devices	411.5	467.1	878.6
Social Infrastructure	540.3	671.5	1,211.8
Home Appliances	144.9	168.9	313.8
Others	69.6	78.3	147.9
Total	1,390.6	1,648.6	3,039.2

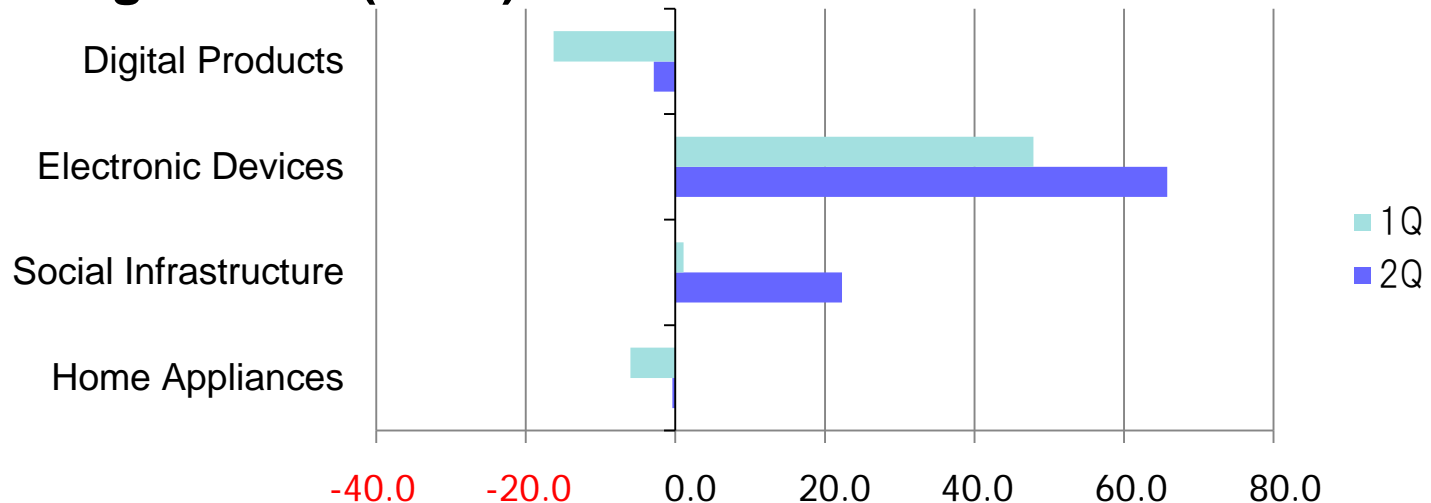
Operating Income (Loss)	FY13		
	1Q	2Q	1H
Digital Products	-16.3	-2.9	-19.2
%	-4.9%	-0.8%	-2.7%
Electronic Devices	47.9	65.8	113.7
%	11.7%	14.1%	12.9%
Social Infrastructure	1.1	22.3	23.4
%	0.2%	3.3%	1.9%
Home Appliances	-6.0	-0.4	-6.4
%	-4.1%	-0.3%	-2.0%
Others	-1.6	-4.0	-5.6
%	-2.4%	-5.1%	-3.8%
Total	24.3	81.3	105.6
%	1.8%	4.9%	3.5%

FY2013 Overall by Segment 1Q/2Q comparison

Net Sales



Operating Income (Loss)



Non-Operating Income (Loss) and Expenses

(Yen in billions)

	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
Net financial loss	-11.5	-12.1	0.6
Foreign exchange income (loss)	4.6	-10.2	14.8
Income (loss) on sales of fixed assets	-2.1	-3.5	1.4
Equity in earning of affiliates	5.6	9.2	-3.6
Structural reform costs	-7.3	-18.6	11.3
Others	-43.0*	9.2	-52.2
Total	-53.7	-26.0	-27.7

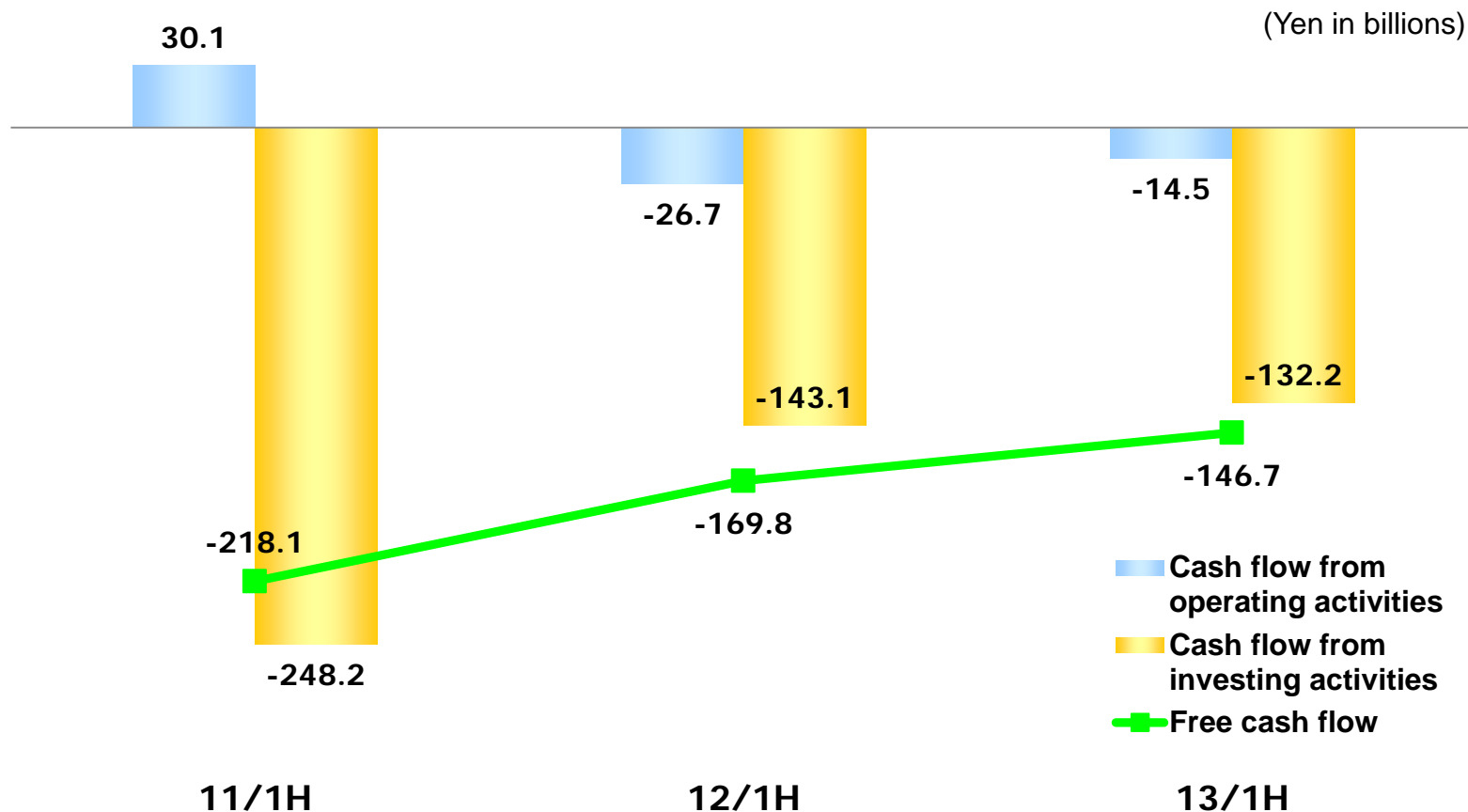
* Others includes the effects of foreign currency adjustment due to the sales of overseas subsidiaries and past correction handling by domestic subsidiaries.

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

(Yen in billions)

	FY13/1H	FY12/1H	Difference
			vs. FY12/1H
Income (loss) before income taxes and noncontrolling interests	51.9	42.7	9.2
Income tax	-20.8	-12.9	-7.9
Net Income (loss) attributable to noncontrolling interests	-9.6	-4.7	-4.9
Net Income (loss)	21.5	25.1	-3.6

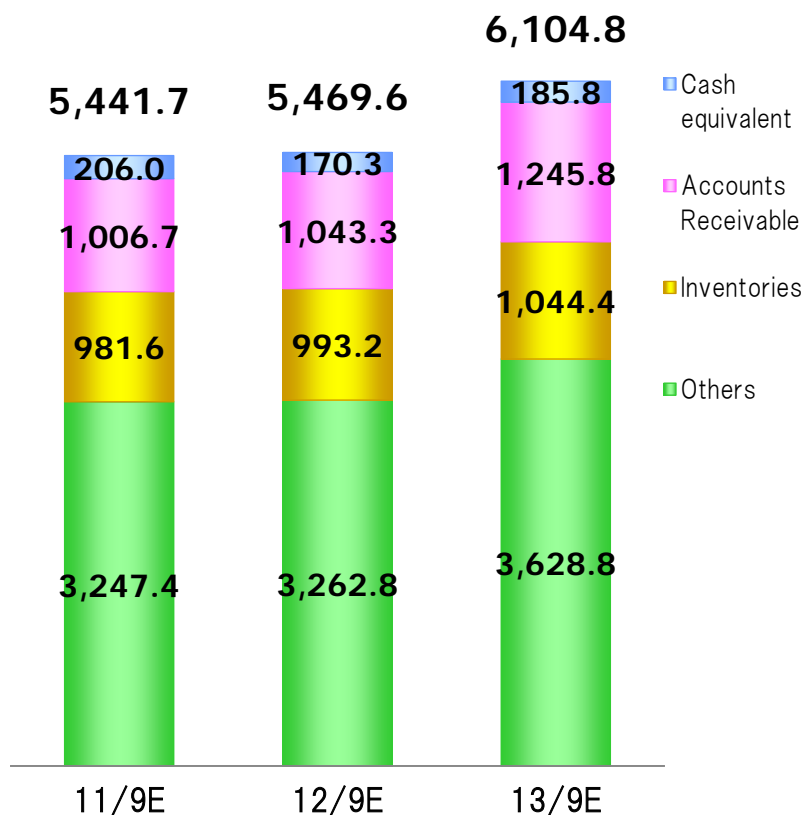
Cash Flows, FY2013 First 6 Months



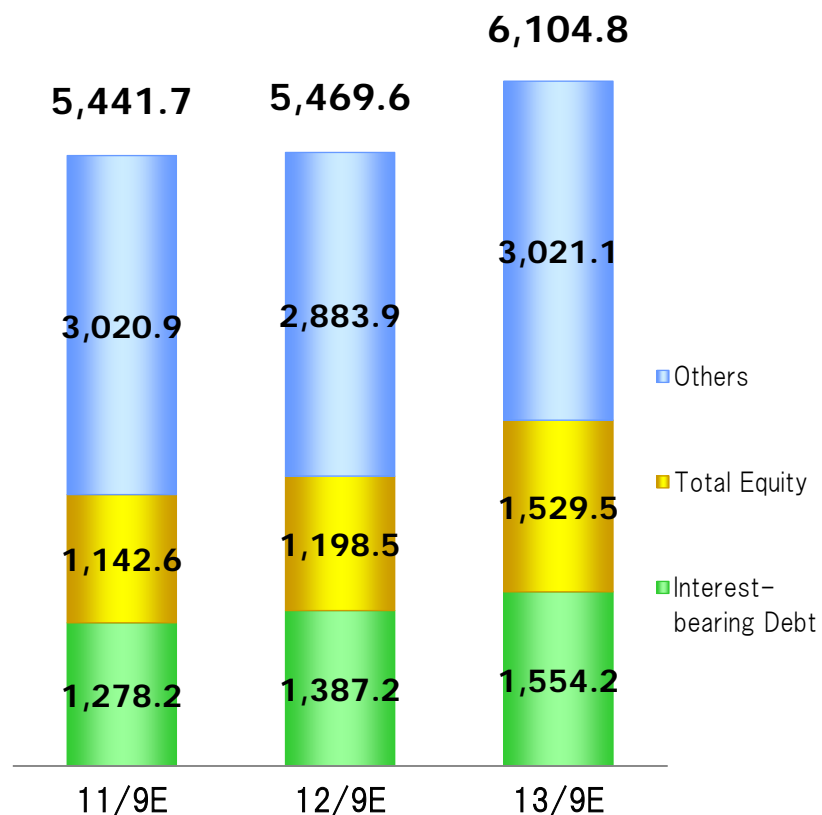
Consolidated Balance Sheets

(Yen in billions)

Assets



Liabilities and Equity



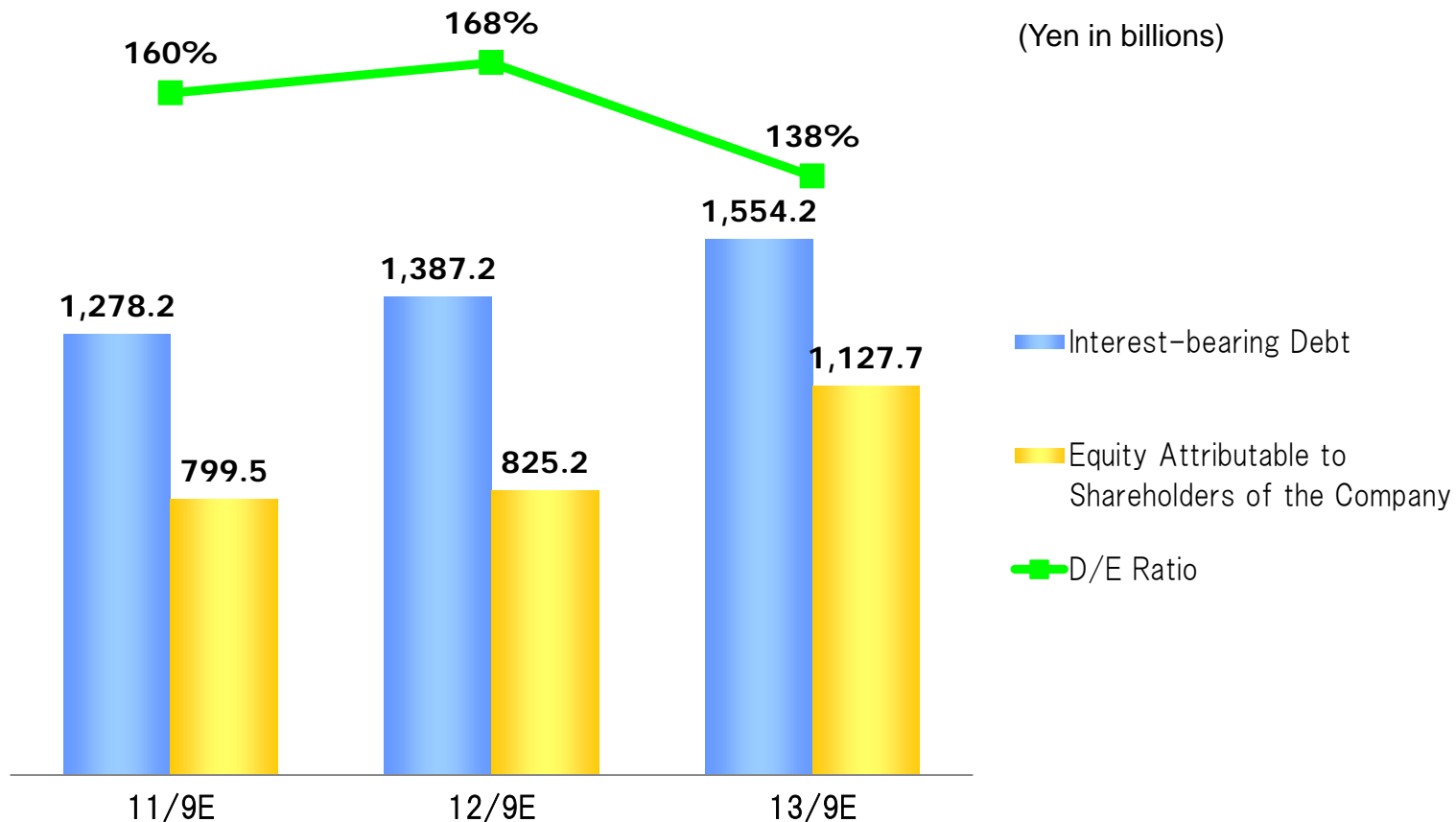
Total Equity

(Yen in billions)

	13/9E	13/3E	12/9E	Difference	
				vs. 13/3E	vs. 12/9E
Common Stock	439.9	439.9	439.9	0.0	0.0
Additional paid-in capital	404.2	404.4	400.1	-0.2	4.1
Retained earnings	640.0	635.4	600.1	4.6	39.9
Accumulated other comprehensive loss	-354.8	-443.9	-613.4	89.1	258.6
Treasury stock	-1.6	-1.5	-1.5	-0.1	-0.1
Equity attributable to shareholders of the Company	1,127.7	1,034.3	825.2	93.4	302.5
Equity attributable to noncontrolling interests	401.8	381.8	373.3	20.0	28.5
Total equity	1,529.5	1,416.1	1,198.5	113.4	331.0

Equity attributable to shareholders of the Company / Total asset ratio	18.5%	17.0%	15.1%	1.5%	3.4%
--	-------	-------	-------	------	------

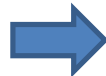
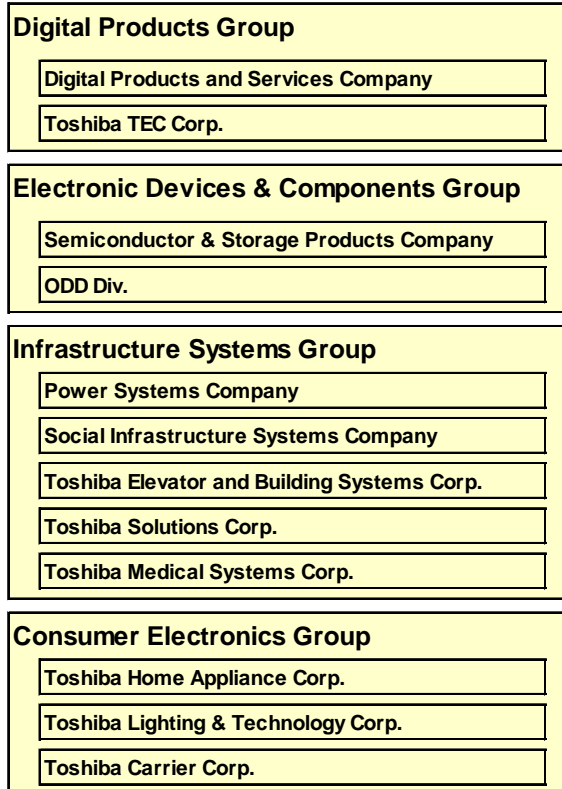
DE Ratio



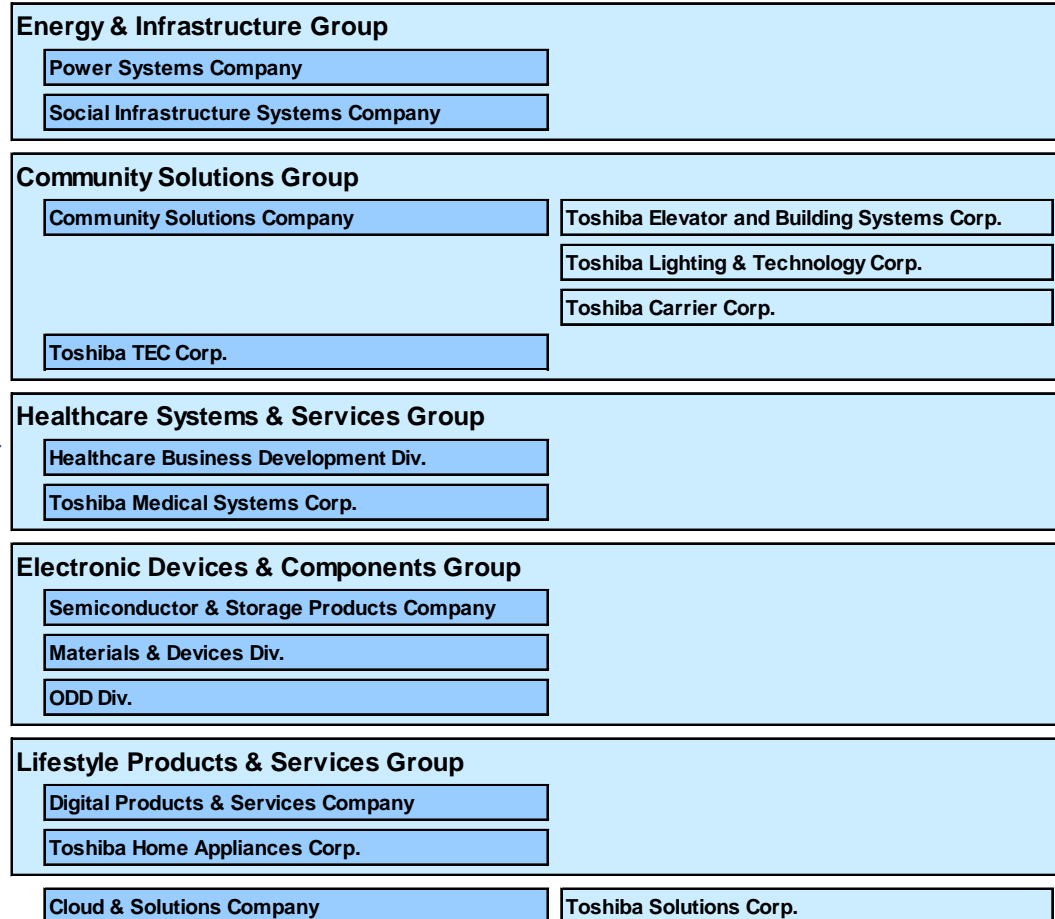
Segment Changes due to Reorganization

Organization Overview

Old Organization



New Organization



Key Points of Reorganization

- **Energy & Infrastructure Group**
To provide low-carbon, high-efficiency power systems and wide-ranging social infrastructure systems and solutions, including transmission and distribution systems and their related power electronics.
- **Community Solutions Group**
To strengthen the smart community business and deliver multiple urban and regional solutions that include building, factory and home energy management systems, and solutions for urban facilities and the retail sector.
- **Healthcare Systems & Services Group**
To integrate Toshiba Group's medical businesses and to extend the scope of business from medical diagnostics to new healthcare-related business areas, including disease prevention and patient care based on analysis of medical records and sensor data.
- **Electronic Devices & Components Group**
To strengthen integrated storage products and to continue to operate a world-class semiconductor business that also contributes to Toshiba Group's other products and systems businesses.
- **Lifestyle Products & Services Group**
To integrate the digital products and home appliance businesses in a more efficient, consumer-oriented business. Toshiba will aim to strengthen overseas sales in both areas, primarily in emerging markets where demand growth is expected, and to promote use of shared resources and cost optimization.
- **Other**
To integrate ICT cloud services and storage systems and promote global outsourcing services, including information technology outsourcing (ITO) and business process outsourcing (BPO) for Toshiba Group and as a business.

FY2013 First 6 Months by Segment, based on New Organization

(Yen in billions)

Net Sales	13/1H
Digital Products	715.8
Electronic Devices	878.6
Social Infrastructure	1,211.8
Home Appliances	313.8
Others	147.9
Total	3,039.2

Operating Income (Loss)	13/1H
Digital Products	-19.2
%	-2.7%
Electronic Devices	113.7
%	12.9%
Social Infrastructure	23.4
%	1.9%
Home Appliances	-6.4
%	-2.0%
Others	-5.6
%	-3.8%
Total	105.6
%	3.5%



Net Sales	13/1H
Energy & Infrastructure	783.1
Community Solutions	599.8
Healthcare	185.8
Electronic Devices	891.1
Lifestyle	611.4
Others	237.0
Total	3,039.2

Operating Income (Loss)	13/1H
Energy & Infrastructure	13.3
%	1.7%
Community Solutions	8.5
%	1.4%
Healthcare	10.0
%	5.4%
Electronic Devices	113.8
%	12.8%
Lifestyle	-36.7
%	-6.0%
Others	-3.4
%	-1.4%
Total	105.6
%	3.5%

* Information on this page is based on the organization introduced on October 1, 2013, and has not been audited.

FY2013 Forecast, Overall

(Yen in billions, except earnings (losses) per share)

	FY13 Revised forecast (as of Oct 30)	FY13 Previous forecast (as of May 8)	Difference	FY12
Net Sales	6,300.0	6,100.0	200.0	5,800.3
Operating Income (loss)	290.0	260.0	30.0	193.4
%	4.6%	4.3%	0.3%	3.3%
Income (loss) before income taxes and noncontrolling interests	200.0	200.0	0.0	154.6
%	3.2%	3.3%	-0.1%	2.7%
Net Income (loss)	100.0	100.0	0.0	77.4
%	1.6%	1.6%	0.0%	1.3%
Earnings (losses) per share attributable to shareholders of the Company	¥23.61	¥23.61	¥0	¥18.27

* Following the acquisition of the Retail Store Solutions business of IBM in July 2012, the Company completed the allocation of the cost of the acquisition to assets and liabilities in the current fiscal year. Results for FY2012 have been revised to reflect this change.

FY2013 Forecast by Segment, based on New Organization

(Yen in billions)

Net Sales	FY13 Revised forecast (as of Oct 30)	FY13 Previous forecast (as of May 8)	Difference	FY12	Difference
Energy & Infrastructure	1,790.0	1,790.0	0.0	1,632.3	157.7
Community Solutions	1,360.0	1,360.0	0.0	1,179.1	180.9
Healthcare	420.0	420.0	0.0	379.6	40.4
Electronic Devices	1,770.0	1,510.0	260.0	1,359.9	410.1
Lifestyle	1,270.0	1,290.0	-20.0	1,269.8	0.2
Others	520.0	520.0	0.0	498.8	21.2
Total	6,300.0	6,100.0	200.0	5,800.3	499.7

Operating Income (Loss)	FY13 Revised forecast (as of Oct 30)	FY13 Previous forecast (as of May 8)	Difference	FY12	Difference
Energy & Infrastructure	83.0	100.0	-17.0	85.1	-2.1
%	4.6%	5.6%	-1.0%	5.2%	-0.6%
Community Solutions	58.0	58.0	0.0	42.7	15.3
%	4.3%	4.3%	0.0%	3.6%	0.7%
Healthcare	30.0	30.0	0.0	23.8	6.2
%	7.1%	7.1%	0.0%	6.3%	0.8%
Electronic Devices	210.0	130.0	80.0	91.2	118.8
%	11.9%	8.6%	3.3%	6.7%	5.2%
Lifestyle	-37.0	0.0	-37.0	-42.3	5.3
%	-2.9%	0.0%	-2.9%	-3.3%	0.4%
Others	-4.0	-4.0	0.0	-6.6	2.6
%	-0.8%	-0.8%	0.0%	-1.3%	0.5%
Total	290.0	260.0	30.0	193.4	96.6
%	4.6%	4.3%	0.3%	3.3%	1.3%

* Information on this page is based on the organization introduced on October 1, 2013. (Unaudited, Unreviewed)

* Consolidated Total includes the following eliminations:

FY13 forecast (as of Oct 30)

FY13 forecast (as of May 8)

FY12

Net sales: -830 billion yen,

Net sales: -790 billion yen,

Net sales: -519.2 billion yen,

Operating income: -50 billion yen

Operating income: -55 billion yen

Operating income: -0.5 billion yen

TOSHIBA

Leading Innovation >>>