



**TOSHIBA**  
Leading Innovation >>>



**Toshiba Corporation**  
Annual Report 2007 • Operational Review

## > FINANCIAL HIGHLIGHTS • TOSHIBA CORPORATION AND SUBSIDIARIES

For the years ended March 31, 2007 and 2006

	Millions of yen		Change (%)	Thousands of U.S. dollars (Note 1)
	2007	2006	2007/2006	2007
Net sales—Japan	¥ 3,599,385	¥ 3,382,143	6.4	\$ 30,503,263
—Overseas	3,516,965	2,961,363	18.8	29,804,788
Net sales	7,116,350	6,343,506	12.2	60,308,051
Operating income (Note 2)	258,364	240,610	7.4	2,189,525
Income before income taxes and minority interest	298,460	178,177	67.5	2,529,322
Net income	137,429	78,186	75.8	1,164,653
Total assets	5,931,962	4,727,113	25.5	50,270,864
Shareholders' equity	1,108,321	1,002,165	10.6	9,392,550
Capital expenditures (property, plant and equipment)	375,335	338,800	10.8	3,180,805
Research and development expenditures	393,987	372,447	5.8	3,338,873
Return on equity (ROE) (%)	13.0	8.6	—	—
Return on total assets (ROA) (%)	2.6	1.7	—	—

Per share of common stock:	Yen		Change (%)	U.S. dollars	
	2007	2006		2007	2006
Net income (Note 3)					
—basic	¥ 42.76	¥ 24.32	75.8	\$ 0.36	0.23
—diluted	39.45	22.44	75.8	0.33	0.20
Cash dividends	11.00	6.50	69.2	0.09	0.05
Number of employees (Thousands)	191	172	11.0	—	—

Notes: 1) Unless indicated otherwise, all dollar figures herein refer to U.S. currency. Yen amounts have been translated into U.S. dollars, for convenience only, at the rate of ¥118= U.S. \$ 1.

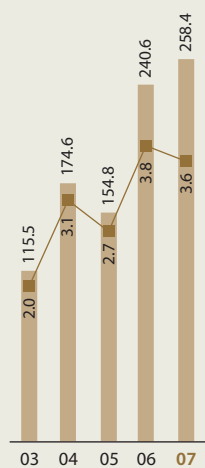
2) Operating income has been determined under financial reporting practices generally accepted in Japan and is defined as net sales less cost of sales and selling, general and administrative expenses.

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

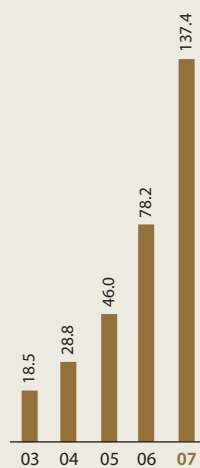
**Net sales**  
(Billions of yen)



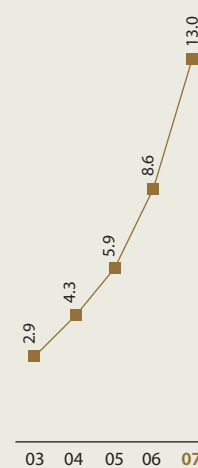
**Operating income / Operating income ratio**  
(Billions of yen) (%)



**Net income**  
(Billions of yen)



**Return on equity (ROE)**  
(%)



# **TOSHIBA**

**Leading Innovation >>>**

Toshiba delivers technology and products remarkable for their innovation and artistry—contributing to a safer, more comfortable, more productive life.

We bring together the spirit of innovation with our passion and conviction to shape the future and help protect the global environment—our shared heritage.

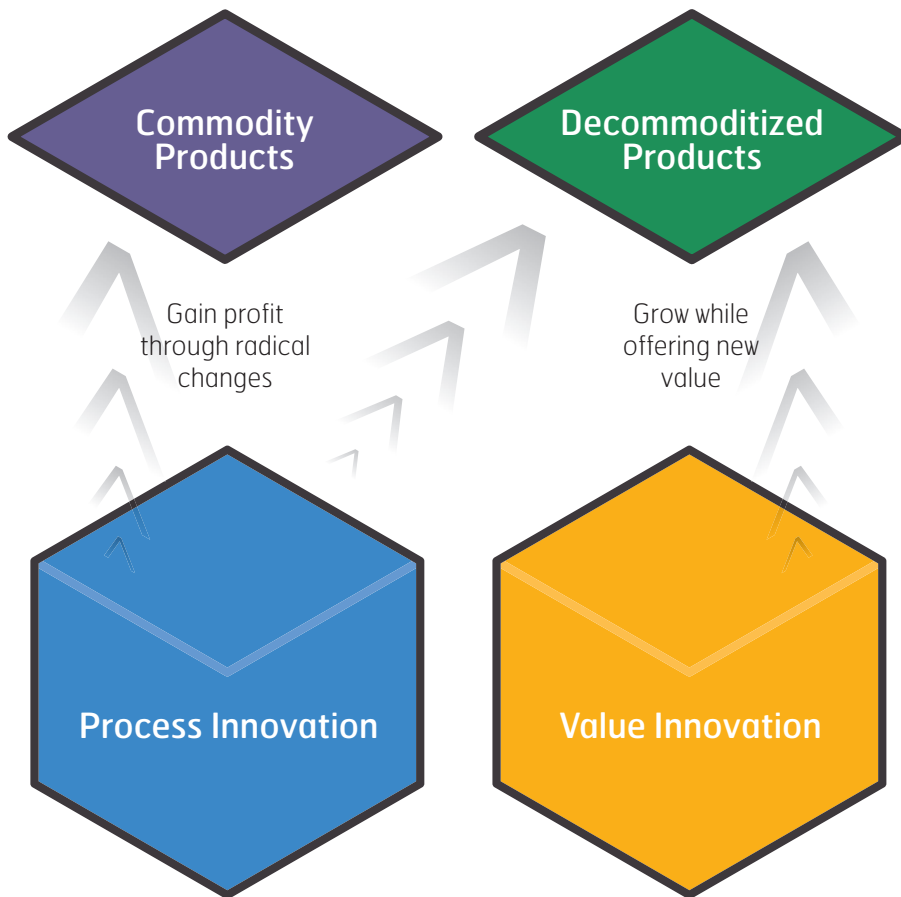
We foster close relationships, rooted in trust and respect, with our customers, business partners and communities around the world.

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In the second half of FY2006, Toshiba Group adopted a new brand tagline, "TOSHIBA Leading Innovation," that extends to each and every aspect of our business, and that announces our intent to generate wave after successive wave of innovation. Under the new brand tagline, by promoting the process innovation that reinforces our competitiveness and the value innovation that offers entirely new value to customers through development of new technologies and products that lead the age, we will shape a vital and vibrant Toshiba Group.

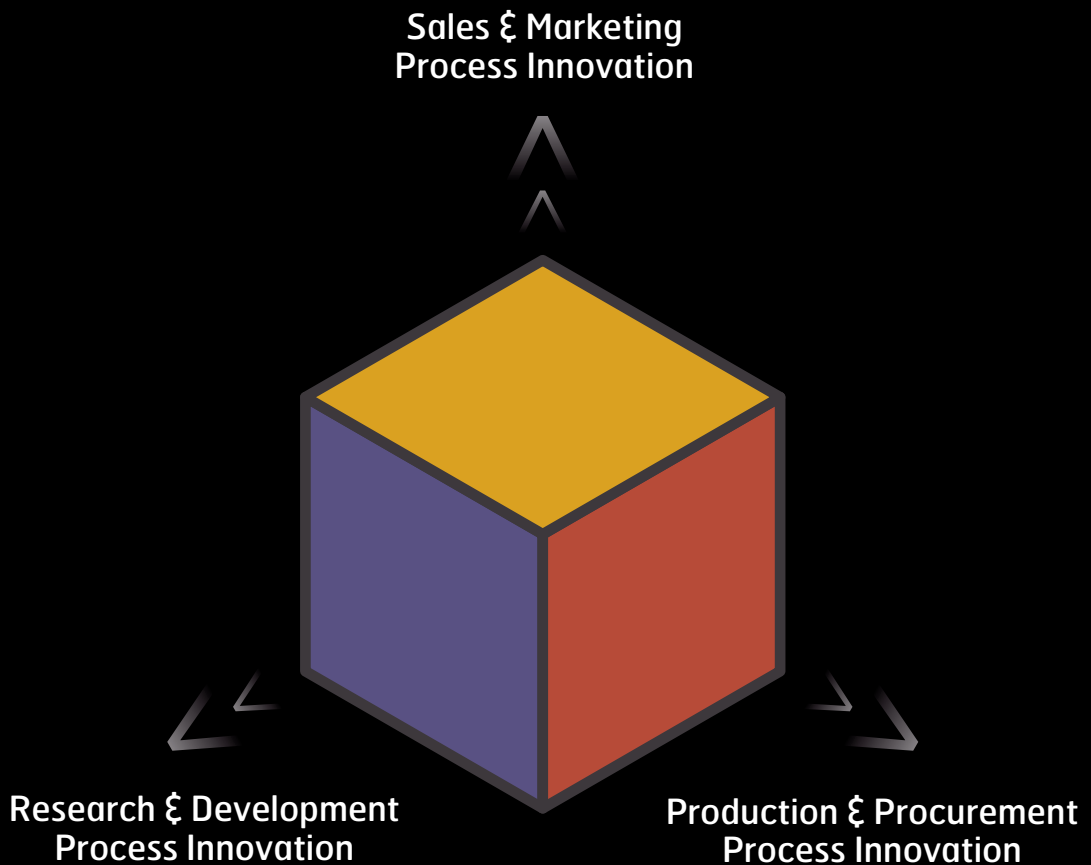
## Process Innovation + Value Innovation

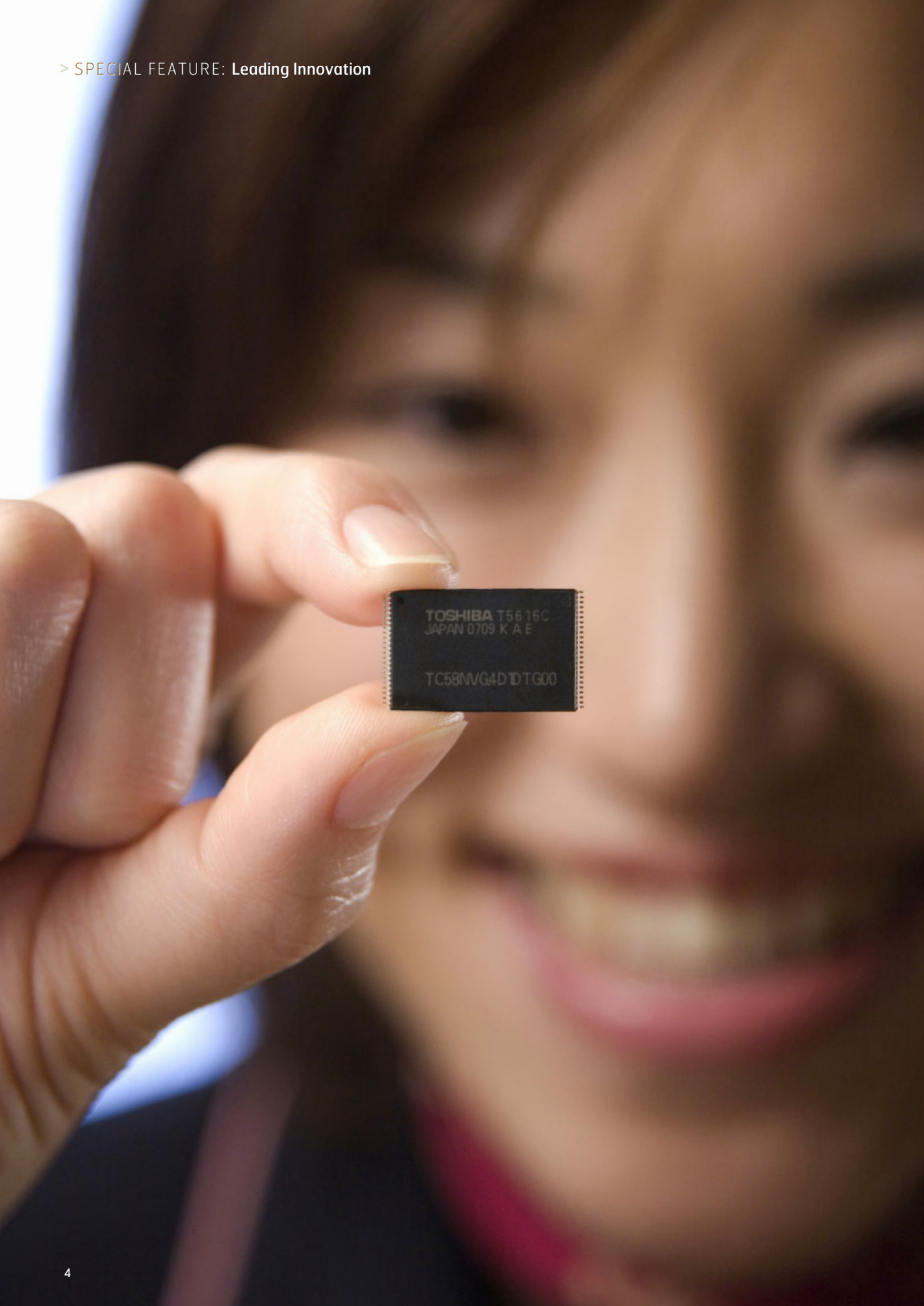




Toshiba Group is building on the base of the Management Innovation (MI) Activity to bring simultaneous process innovation to product research and development, production and procurement, and sales and marketing. Through that multiplier effect, we will stimulate continuous growth and drive forward the “i-cube” program.

In the research and development process, we are enhancing speed and efficiency, which are crucial for the timely provision of new products and services; in the production and procurement process, we are strengthening operations, especially through the SCM manufacturing system structure; and in the sales and marketing process, we are aiming to raise customer satisfaction to new levels, and to enhance the Toshiba brand.





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# NAND Flash Memory

In 1987, Toshiba introduced the NAND Flash memory to the world: a practical, non-volatile memory that could store data and retain it even when the power supply was turned off. Today, advances in density and performance pioneered by Toshiba have made NAND Flash the memory of choice for digital cameras, mobile phones and portable music players. Looking to the future, the market for NAND Flash memory will continue to grow on new video-based applications.

## < 16 GIGABYTE NAND FLASH MEMORY

The high density 16-gigabyte embedded NAND Flash memory makes full use of advanced 56-nanometer\* process technology to integrate eight NAND chips and a controller chip in a standard small size package. The chip achieves the highest density in the industry, and integration of a dedicated controller reduces development burdens for manufacturers working on new products.

## > VALUE FOR CUSTOMERS

NAND Flash memory: **1)** supports product miniaturization and reduced power consumption; **2)** has no mechanical parts and offers superior shock resistance; and **3)** makes highly reliable, high speed data programming available to everyone in easy-to-use small packages, such as SD Cards and USB memories.

## > CUSTOMER VALUE THROUGH INNOVATION

Our customers want products that are easy to use and that offer high performance. Toward achieving that, we make every effort to stay in the forefront of scalability, and to achieve high density memory as well as miniaturization of chips that employ multi-level cell technology to record two or more bits of data in a single memory cell, boosting the performance of applications that use video and audio. In January 2007, we started to deploy 56-nanometer (nm) process technology in mass production, and we will continue to develop advanced technology. Beyond that, we will ensure that we are able to meet the demands of an expanding market by reducing turn around time between development and mass production, and by enhancing productivity with boosts to production capacity and improved operating efficiency.

\*A nanometer is one billion of a meter.

## LCD Televisions

In February 2006, intent on promoting urgent measures to reinforce its presence in the FPD TV market, and on providing customers with a line-up of high quality TVs, Toshiba launched "REGZA" as a unified global brand.

"REGZA," coined from the German *regsam*, a word conveying liveliness and dynamism, was chosen because we wanted a distinctive name that captures the essence of Toshiba's high technology, and the quality of our true high-definition (HD) TVs. Our goal, now and in future, is to investigate new levels of added value and to channel it into the new LCD TVs that we bring to market.

### > VALUE FOR CUSTOMERS

With the increase in HD television programs being provided by terrestrial digital broadcasters, the growing popularity of next-generation DVD and game consoles, and the increasing number of users downloading video content over broadband connections, consumers are articulating their need for the quality and pleasure of HD images, the freedom to choose what and when to watch, and full access to network functions. "REGZA" is, in essence, an advanced image processing system that uses Toshiba's New Meta-brain Pro to realize true HD, to provide a user-friendly electronic program guide, and, thanks to a high capacity hard disk drive (HDD), to free viewers from the restrictions of time. "REGZA" fully responds to today's user needs.

The simple case does away with unnecessary adornment. Its "minimal design" brings out the texture and true character of the materials used, and imparts a calm, sophisticated feeling.

### REGZA H3000 SERIES >

The H3000 Series takes viewer convenience to the next level with an integrated 300 gigabyte HDD and the *REGZA Program Guide Fine*, an electronic program guide. The video recording function can be expanded by adding a commercially available hard disk. The REGZA H3000 Series delivers a full line-up of full HD liquid crystal TVs that reproduces hi-vision broadcasts in all their rich detail and vivid images.

### > CUSTOMER VALUE THROUGH INNOVATION

The start of terrestrial digital broadcasting and growing demand for large-screen TVs have put HD TV technology squarely in the spotlight. Toshiba has developed New Meta-Brain Pro, an HD video processing system capable of showing intricate details in video images. New Meta-Brain Pro is able to produce such stunning HD images thanks to Toshiba's exceptional system LSI technology and digital video processing technology. The market for large-screen LCD TVs is relentlessly tough and is defined by constant price decline. Toshiba is cultivating a business structure that will allow it to deal with falling prices by drawing on its strengths in imaging software to promote and implement continual improvements in picture quality, while at the same time unifying electrical and mechanical design and production.





TOSHIBA

REGZA



TOSHIBA

> SPECIAL FEATURE: **Leading Innovation**



## HD DVD

Developments such as the start of terrestrial digital broadcasting and the ending of analog broadcasting in Japan are ushering in growth in HD digital broadcasting services and other major environmental changes. Standard DVD cannot reproduce the texture of HD content, play it back on a large size display, or record to disc HD from video sources. That is why Toshiba took the industry to the next level in 2006: by launching the world's first HD DVD player in March, and bringing to market the first hard disc recorder with HD DVD recorder in July.

### < HD-XA2 HD DVD PLAYER

As a leader in AV products, we wanted to bring enjoyment of HD DVD into the lives of many more customers, and for this reason we developed the HD-XA2. Designed with full consideration for the environment, this new player is smaller, consumes less power and, on top of that, is fully compliant with the European Union's RoHS\* directive.

### > VALUE FOR CUSTOMERS

HD DVD formats are formally approved for next-generation DVD by the DVD Forum, an international association that defines and promotes standards, including the ability to capture and reveal the full impact and resolution of HD content, and to satisfy essential market needs, such as saving HD image content to disc. HD DVD offers advanced functions and attractions that far surpass those of standard DVD. Pop-up Menu can display thumbnails of movie chapters while a movie plays, allowing viewers to jump directly to the scenes they want to see. The subscreen of Picture in Picture (PiP) offers playback of special features, such as the director's commentary and making-of documentary, while the movie plays.

### > CUSTOMER VALUE THROUGH INNOVATION

Toshiba launched the world's very first DVD player in 1996. In 2001, we took the DVD market in a new direction when we pioneered the integration of an HDD and DVD recorder in a digital video recorder, establishing the new AV style of "record to HDD, save to DVD." Last year, we took the next step, realizing recording of data-rich HD video by integrating an HD DVD recorder into a hard disc recorder. Maintaining momentum we followed up on our first-generation products with HD DVD players that were significantly smaller and easier to install, and that combined a better viewing experience with affordable prices. Going forward, we will continue to take the lead in delivering products that respond to the demands of the world market.

\*RoHS (Restriction of Hazardous Substances) is the EU directive which went into effect July, 2006. This directive restricts the use of six hazardous materials, such as lead and mercury, etc in the manufacture of various types of electronics and electronics equipment.

## Multi-slice CT System

Toshiba Medical Systems Corporation, the leading manufacturer in Japan's diagnostic imaging equipment market, in September 2004 launched into the global market the Aquilion 64 multi-slice CT system, the world's first multi-slice CT system able to capture 64 x 0.5mm cross sectional slices simultaneously. In May 2006 the latest model in the series added support for high resolution, high speed three-dimensional imaging at low doses, supporting the company in its efforts to manufacture diagnostic imaging systems that improve the quality of patient care.

### > VALUE FOR CUSTOMERS

A 64 multi-slice CT system brings numerous benefits to medical centers, not least the ability to image multiple organs of the body with short exposure times, and at a level of clarity that improves diagnosis.

The multi-slice CT system is particularly useful for accurately imaging fast moving functions, such as the coronary artery, and has opened up new fields of diagnosis that represent major advances over traditional cardiovascular examination. The system also achieves this through non-invasive examinations that both improve patient comfort and dramatically reduce examination times. It is towards continued progress in these areas that Toshiba develops and integrates innovative technologies that enhance diagnostic utility, improve patient management and contribute to better clinical outcomes.

### AQUILION 64 > MULTI-SLICE CT SYSTEM

Aquilion is derived from *Aquila*, the Latin name for the eagle, the king of sky, and from lion, the English name for the king of the land. Aquilion 64's high speed scanning and ability to reconstruct high resolution images has brought new approaches to clinical imaging, even in the sphere of diseases of the cardiac and circulatory system. These capabilities have won global recognition that has translated into large measures of acclaim and market share, both in Japan and overseas, starting with the world's most advanced medical market, the United States.

### > CUSTOMER VALUE THROUGH INNOVATION

Toshiba Medical Systems Corporation works in close collaboration with major hospitals worldwide to enhance equipment performance and develop new clinical applications. The Aquilion 64 multislice CT system integrates high resolution scanning technology that can carry out a full scan in a 0.35 second gantry rotation. Toshiba's intuitive clinical workflow coupled with uncompromising image quality takes diagnostic imaging to a new level. This is paramount in cardiac examinations, where rapid conversion of large volumes of data reduces post processing times for both doctors and technicians.



## TO OUR SHAREHOLDERS

In FY2006, Toshiba Group selected “TOSHIBA Leading Innovation” as its new global corporate brand tagline to clearly express the core corporate value that we promise to our customers and society. We are determined to continue to transform our corporate culture and organization in order to encourage and sustain constant innovation throughout the Toshiba Group, making it an even more dynamic Group that is filled with vigor and creative energy.

Our mainstay businesses span the three domains of Digital Products, Electronic Devices and Social Infrastructure, and we aim to ensure strong growth and high profit over a sustained period of time in these businesses. In the nuclear power business, part of the Social Infrastructure domain, we have completed the acquisition of the Westinghouse Group, a major step forward in our global expansion in this business field.

In FY2006’s consolidated business performance, net sales were 7,116.4 billion yen (a surge of 772.9 billion yen over the previous fiscal year), operating income was 258.4 billion yen (up by 17.8 billion yen), and net income was 137.4 billion yen (an increase of 59.2 billion yen). Consolidated net sales and operating income were at the highest levels we have ever recorded. Favorable as they were, however, those results are only one milestone on our journey. In April 2007, we announced our mid-term business plan, called “Vision 2010,” which declares our aim to achieve net sales of 9,500 billion yen and operating income of 480 billion yen by the end of FY2010. Towards that goal, we will strive to improve our net sales and operating income ratio and build an even more robust earnings structure.

We position the fulfillment of corporate social responsibility (CSR) as one of the main pillars of Toshiba’s management. We place the utmost priority on respecting human life and safety and fully complying with the letter and spirit of laws and regulations in all of our business activities around the world. Our corporate culture and fundamental values emphasize the central importance of engaging in strictly ethical behavior at all times. Toshiba as “a corporate citizen of planet Earth” is deeply committed to helping to protect the environment, and we aspire to take a leadership role in working toward the achievement of a sustainable society. As we do so, we hope that our shareholders will continue to extend the same strong support we have enjoyed until now.



**Tadashi Okamura**  
Chairman of the Board of Directors



**Atsutoshi Nishida**  
Director, President and CEO



[Tadashi Okamura](#) Chairman of the Board of Directors • [Atsutoshi Nishida](#) Director, President and CEO



“ Achieving continuous innovation in all business activities and Sustained Strong Growth with High Profit.”

**Atsutoshi Nishida**  
Director, President and CEO

**Toshiba’s strong FY2006 results again surpassed those of the previous term. How do you evaluate these performance results?**

Ever since I was appointed President, I have been constantly communicating my firm belief to all employees of Toshiba Group companies that we need to move forward with our new vision and strategies to transform Toshiba into a Group that aims to generate “Sustained Strong Growth with High Profit.” I think that each and every employee has now taken this message to heart and is using this new vision to guide their daily work. That led to our positive business results for FY2006.

The most important thing for any enterprise is to increase sales and continue to grow. If sales do not rise, the only way forward is to reduce fixed costs, which can only result in a diminishing equilibrium. Profit emerges only when growth is achieved.

In FY1995, Toshiba’s sales reached 5,000 billion yen for the first time. But in the nine years that followed, until FY2004, we were unable to surpass that level, and our compound average growth rate was just 1.3%. With such a business performance level, I thought we never would become a winner or even survive in the increasingly fierce and competitive global environment. Thus, I created a new vision of change “Sustained Strong Growth with High Profit,” which we are successfully achieving.



In FY2005, sales grew by 8.7%. In FY2006, our sales dramatically grew by 12.2%. In contrast, our operating income ratio declined, and that is no cause for satisfaction. From now on, while we pursue our sales increase targets, we must also focus on strongly improving the Toshiba Group's operating income ratio.

**Since October last year, Toshiba has established “TOSHIBA Leading Innovation” as a unified global corporate brand tagline. What message is the phrase intended to convey?**

To be a winning company in the 21st century, innovation is the key. An increasingly powerful wave of globalization is sweeping across the world, and digitization and ubiquitous networks are making great strides forward at an accelerating pace. Corporate mergers and acquisitions and business alliances now take place at the global level. We live in an age of rapid changes, and the pressures on companies to change will only increase in the coming years. It is now an urgent necessity for management and employees to change their ways to think and work so that all members of the Toshiba Group can effectively cope with the speed of such changes. Unless we do so, we will not be able to compete successfully in the swiftly changing global marketplace, either today or even over the next few decades. Business-as-usual is no longer an acceptable way of doing things.

The important way to make changes happen and ensure enduring transformation is not by trying to keep pace with market changes, but by continuously creating a strong flow of innovations within our own Toshiba Group, and doing all we can to become leaders in the coming business era. One phrase that I often use to motivate Toshiba people is “respond and change.” I tell them that by “respond” I mean that we need to quickly and decisively respond to the rapid changes that come with the increasing globalization of markets and competition. By “change,” I mean that successful change must be strived for by making behavioral changes in ourselves. Thus, “respond and change” refers to the need to transform ourselves as market circumstances and competitive challenges change. In that sense, we have to “innovate” ourselves.

I think the tagline “TOSHIBA Leading Innovation” signifies the essence of my thinking that constant innovation is the motive power for the Toshiba Group's growth. Without innovation, we will not be able to achieve “Sustained Strong Growth with High Profit.”

**What is the uniqueness of the Toshiba Group's approach to innovation?**

We are aiming to create an organization and culture in which innovation can thrive. It is important for all employees to always feel a high “sense of urgency,” to reject the status quo and strongly resolve to change ways of working through new concepts achieved by creative flashes of inspiration. We are working to establish a corporate culture in which complacency is nowhere to be found. We often face “antinomy,” where we are repeatedly confronted with the need to pursue business targets that are partially in conflict, — e.g., achieving both growth and profit, realizing both lower cost and higher

quality — and in order to solve such dilemmas of choice we need to make use of completely new, innovative ways of doing things. In short, that is why it is essential for each and every employee to embrace innovation.

As much as time permits, I visit our development, manufacturing and sales and marketing sites, so that I can interact with employees and make sure we have a shared understanding of Toshiba's vision of change. The most important thing in building an organization and culture conducive to innovation is changing the mind-set of employees. In addition, when we talk about innovation, we have to remember that Toshiba is a



manufacturer, and innovation has to be connected to the value that our customers want to see from us in the near future.

In assuring that our innovation is connected to customer value, the most important thing is speed. We must thoroughly implement Toshiba's "i-cube" program to assure the multiplier effect of simultaneous innovations in our three key process areas of R&D, manufacturing and sales and marketing, and create the value our customers want in the shortest possible timeframe.

**You have often talked about the importance of risk management. What are your thoughts regarding risk management in innovation?**

Innovation involves changing things by means of the introduction of new ideas and methods. Naturally, in such cases risks will surface. What is important is not how to avoid risks, but how to make management decisions on the basis of calculated risk. For example, when we develop a new world-leading technology, we have to decide whether or not to apply for a patent. In such a case, we have to consider what strategy will lead to more beneficial results for the Company. Should we decide not to apply for a patent and avoid the potential risk from disclosure, or should we obtain a patent and run the risk involved in disclosing its contents? We have to use our best judgment, and sometimes the better strategy is to keep the details of the invention within the Company.

What we should never forget is that innovation is also a hedge against risk. NAND Flash memory is a typical case: We are a world leader in miniaturization and multi-level cell technologies, and if we continue to innovate and lead the market, we will minimize the risk from competitors.

**Toshiba has acquired the Westinghouse Group as an affiliate and sold Toshiba Ceramics and Toshiba EMI. It looks as if you are accelerating the process of selection and concentration in your businesses.**

We are very clear about the direction in which we want to go. We are intensively chan-

neling management resources into the product areas where we expect to see future market growth, particularly in Digital Products and Electronic Devices.

Until recently, we characterized our Social Infrastructure domain businesses, including the nuclear power business, as stable performers. But with the growing awareness of global warming, nuclear power is being reevaluated worldwide, and we now consider it a growth area. That's why we acquired the Westinghouse Group. That move established Toshiba as the world's No. 1 company in the nuclear power business. I am very happy that we are developing this business on a global scale at a time when there is a growing worldwide public mandate in favor of this clean, plentiful alternative energy source.

On the other hand, we still retain companies whose synergies with our core businesses have been diluted by time. Going forward, it makes sense to remove companies like that from our business portfolio, and to concentrate on growth and next-generation businesses. Accordingly, because Toshiba Ceramics, GE Toshiba Silicones and Toshiba EMI fell into this former category, we decided to sell them.

**Concretely put, what kind of corporate group do you want the Toshiba Group to become when you say that Toshiba as “a corporate citizen of planet Earth” is deeply committed to helping protect the environment?**

That expression indicates that we have a strong management commitment to act with deep awareness of the global environment, and that we endeavor to direct our efforts toward helping to build a sustainable society. Measures that we can take to help address critical world environmental issues include contributing to reduced CO<sub>2</sub> emissions through our nuclear power business, and developing consumer electronics that consume less energy. In addition, we are also committed to improving the energy efficiency of all of our Group's operations and reducing the Group's greenhouse gas emissions.



We must always bring a global perspective to management. The Toshiba Group is boldly moving forward with its business on a worldwide scale. As we work to expand our global business role, we must be sure to respect the social practices, culture and history of each country and region in which we are engaged in business, and we must strive to do whatever we can to contribute the maximum we can to society.

Toshiba wants to continue to be a source of value to all of its stakeholders, including shareholders, customers, clients, employees and regional societies. In the coming years as well, we will continue to work for continuous innovation with the goal of building an even more dynamic Toshiba Group that is filled with vigorous creative energy.

## > Mid-term Business Plan

Through FY2008, we will focus on further reinforcing competitiveness and growth in our current businesses by channeling resources to strategic areas. Moving forward to FY2010, we will promote enhanced intra-company collaboration, expand key products, such as NAND, Cell and imaging equipment, and launch new businesses, including next-generation batteries and environmental businesses; all to achieve high growth and profit, win against fierce global competition, and create value for our customers and shareholders.

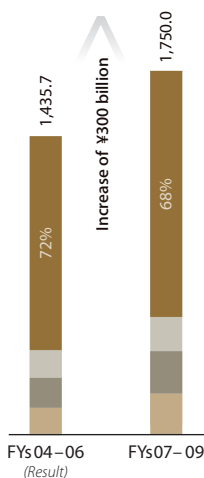
### Performance Goals by Segment

	Net sales (Billions of yen)		Operating income ratio (%)		CAGR* (%)
	FY2006 (Result)	FY2009 (Plan)	FY2006 (Result)	FY2009 (Plan)	FYs2006-2009
Digital Products	2,805.5	3,430.0	0.6	1.6	7
Electronic Devices	1,657.3	2,330.0	7.2	8.6	12
Social Infrastructure	2,067.7	2,420.0	4.7	5.0	5
Home Appliances	748.9	840.0	1.3	1.8	4

\*Compound Average Growth Rate

### Capital expenditures

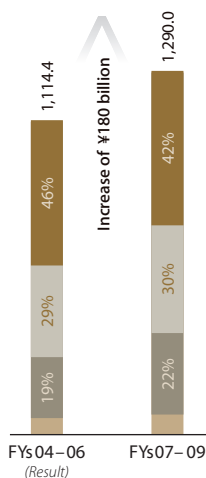
(Billions of yen)



■ Electronic Devices  
■ Digital Products  
■ Social Infrastructure  
■ Others

### R&D expenditures

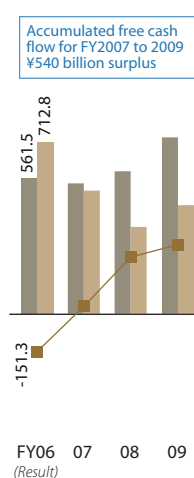
(Billions of yen)



■ Electronic Devices  
■ Digital Products  
■ Social Infrastructure  
■ Others

### Cash flows

(Billions of yen)

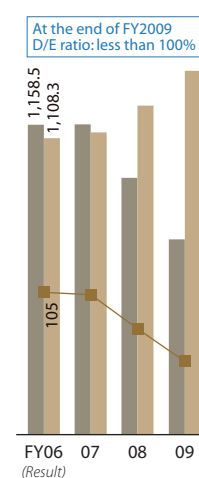


■ Cash flows from operating activities  
■ Cash flows from investing activities  
■ Free cash flow

### Shareholders' equity, Interest-bearing debt and D/E ratio

(Billions of yen)

(%)



■ Interest-bearing debt  
■ Shareholders' equity  
■ D/E ratio (Interest-bearing debt to Shareholders' equity)

Looking toward FY2010

> Achieve "Sustained Strong Growth with High Profit" in all business domains



> Reinforce competitiveness to achieve growth in current businesses

**2008:**



Reinforce intra-company collaboration

Expand products that astonish and impress (NAND, Cell, imaging and audio equipment)

Enhance contributions to safety and security through our businesses (nuclear power, next-generation battery, the environment)

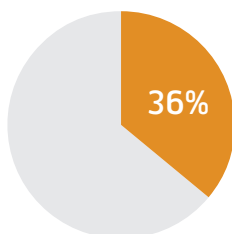
> **2010:** Achieve high growth and profit in every business domain



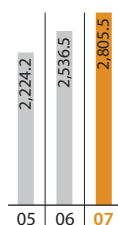
Net sales	¥9,500 billion
Operating income	¥480 billion
Operating income ratio	5%
Return on equity (ROE)	15%
Shareholders' equity ratio	over 20%

## Digital Products Segment

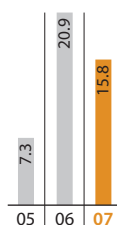
Percentage of sales



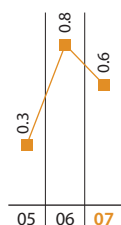
Sales  
(Billions of yen)



Operating income  
(Billions of yen)



Operating income ratio  
(%)



### MOBILE COMMUNICATIONS COMPANY

Technological strengths in such areas as high resolution imaging, wireless and advanced devices enable the Mobile Communications Company to support rich communication in this broadband age, and the drive towards ubiquitous networks that will allow everybody to participate in social networks. The company fuses leading-edge technologies in the multimedia mobile phone terminals that it develops and brings to market.

### DIGITAL MEDIA NETWORK COMPANY

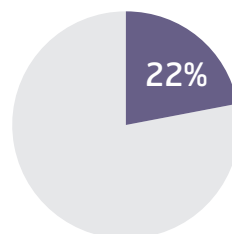
In the fields of imaging and audio equipment, the Digital Media Network Company offers LCD TVs and HDD & DVD recorders compatible with terrestrial digital broadcasting, digital audio players and LCD projectors. In mass storage the company provides the world market with small form factor HDD, and develops HD DVD related products. The company has a wide product line-up, ranging from BtoB and BtoC, and will push hard to enhance Toshiba's name in the digital AV business. In addition, the company will work on developing and releasing leading-edge products with unique technologies that make them distinctively different from competing products.

### PERSONAL COMPUTER & NETWORK COMPANY

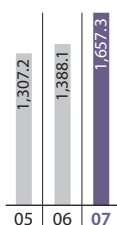
As ubiquitous connectivity starts to make its way into the three domains of the home, the office and the mobile, we are bringing Toshiba Group's cutting-edge core technologies to notebook PCs, servers, business telephone systems and other equipment, all towards continuing to shape a comfortable computing and network environment.

## Electronic Devices Segment

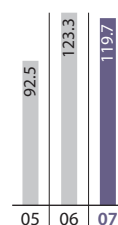
Percentage of sales



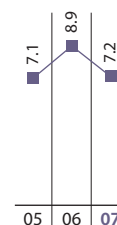
Sales  
(Billions of yen)



Operating income  
(Billions of yen)



Operating income ratio  
(%)



### SEMICONDUCTOR COMPANY

The Semiconductor Company promotes balanced business in three segments: Memories, System LSIs and Discrete Devices. With NAND Flash memory and System LSIs and Discrete Devices for digital consumer products, we expect to see dynamic growth that we will sustain and advance through proactive application of management resources.

### DISPLAY DEVICES & COMPONENTS CONTROL CENTER

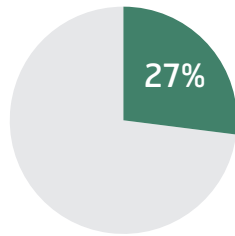
The Center provides dedicated management across the Electron Tube business, including power tubes for accelerators and X-ray tubes, the Materials business, including precision manufactured parts and materials for the parts and components business, and the Solid-state Device business, including thermal print heads; all businesses that contribute to development and progress in diverse product areas. The Center also manages progress in key emerging technologies, especially Direct Methanol Fuel Cells (DMFC) that will shortly be commercialized in personal digital products.

### TOSHIBA MATSUSHITA DISPLAY TECHNOLOGY CO., LTD.

As it continues to lead the world in development of Low Temperature Polysilicon TFT technology, Toshiba Matsushita Display Technology is also promoting development of high value added displays for a wide range of applications, including mobile phones, car navigation systems and mobile PCs.

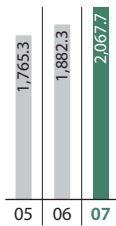
## Social Infrastructure Segment

Percentage of sales



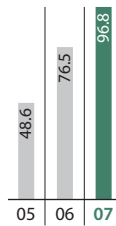
### Sales

(Billions of yen)



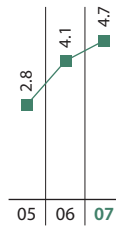
### Operating income

(Billions of yen)



### Operating income ratio

(%)



## POWER SYSTEMS COMPANY

Know-how in nuclear, thermal and hydroelectric power generation, and in transmission and distribution systems, assures comprehensive and reliable electric power supply solutions.

## INDUSTRIAL SYSTEMS COMPANY

Our electrical equipment and systems for transportation, security and automation, production, control and measuring, all contribute to industrial development in world markets.

## SOCIAL INFRASTRUCTURE SYSTEMS COMPANY

We serve the public with essential social infrastructure systems, water and environmental systems, broadcasting and network systems and radio application systems.

## TOSHIBA ELEVATOR AND BUILDING SYSTEMS CORPORATION

We develop, deliver and maintain highly efficient, safe, state-of-the-art elevators and escalators, offer upgrades and provide integrated building management services.

## TOSHIBA SOLUTIONS CORPORATION

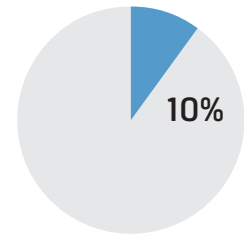
From consulting to outsourcing, for industry and business, our full range of optimized solutions support our clients' continued growth and development.

## TOSHIBA MEDICAL SYSTEMS CORPORATION

Through advanced diagnostic imaging modalities, including CT system, MRI and ultrasound, and healthcare IT systems, we contribute to global healthcare.

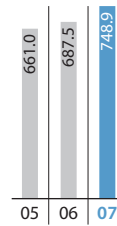
## Home Appliances Segment

Percentage of sales



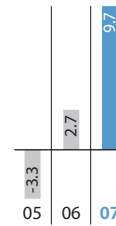
### Sales

(Billions of yen)



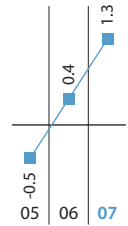
### Operating income (loss)

(Billions of yen)



### Operating income ratio

(%)

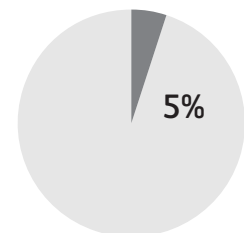


## TOSHIBA CONSUMER MARKETING CORPORATION

With the same innovative spirit that developed the leading-edge technology for Japan's first refrigerators, washing machines, vacuum cleaners and rice cookers, we are taking our products to the global level, to contribute to richer, more comfortable lifestyles for people everywhere.

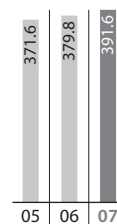
## Others

Percentage of sales



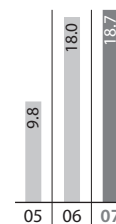
### Sales

(Billions of yen)



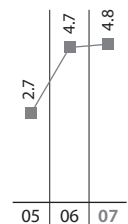
### Operating income

(Billions of yen)



### Operating income ratio

(%)



## > Digital Products Segment

Consolidated net sales of Digital Products increased by 269.0 billion yen to 2,805.5 billion yen. The PC business saw sales increase from a year ago on overseas sales growth, and the Digital Media Network business saw increased sales on higher sales of TV and portable digital music players. The Mobile Phones business saw sales decrease from the previous year, on lower sales in the Japanese market, while the Retail Information and Office Document Processing Systems business saw increased sales on higher sales of POS systems and multi-function peripherals.

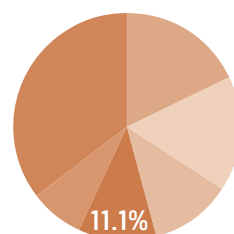
Consolidated operating income in Digital Products was 15.8 billion yen, a decrease of 5.1 billion yen from a year earlier. The PC business posted a solid performance as a result of profitability improvement actions, and the Digital Media Network business saw improved operating income on increased sales. The Retail Information and Office Document Processing Systems business recorded increased operating income on higher sales. The Mobile Phones business remained profitable although lower sales resulted in a decrease in operating income.

The launch of the world's first HD DVD player in Japan was followed up globally. We will continue to introduce new products with higher quality pictures and more attractive functions than those offered by standard DVD players.

### Toshiba's position in the market

#### Share of the global portable PCs market for 2006

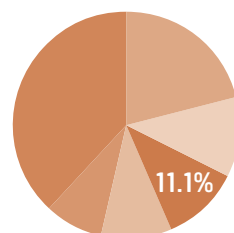
		Volume of shipments (Thousands of units)	Share (%)
1	Hewlett-Packard	14,741	17.8
2	Dell	13,551	16.4
3	Acer	9,548	11.6
4	<b>Toshiba</b>	<b>9,201</b>	<b>11.1</b>
5	Lenovo	6,330	7.7
	Others	29,277	35.4
	<b>Total</b>	<b>82,648</b>	<b>100.0</b>



Sources: IDC (June 2007)

#### Share of the domestic mobile phones market for FY2006

		Volume of shipments (Ten thousands of units)	Share (%)
1	Sharp	1,037	21.0
2	Panasonic Mobile	561	11.4
3	<b>Toshiba</b>	<b>548</b>	<b>11.1</b>
4	NEC	496	10.1
5	Fujitsu	407	8.3
	Others	1,884	38.1
	<b>Total</b>	<b>4,933</b>	<b>100.0</b>



Source: MM Research Institute (April 2007)





**Qosmio Series AV Notebook PC**

“Useful, simple, with a stunning screen.” That’s the essence of the Qosmio series. The new Qosmio G40/97C sports the latest Intel processor for high speed processing of large data sources — and while it’s a superb PC, it’s also more, including a great way to enjoy HD programs via terrestrial digital broadcasts.

**State-of-the-art Mobile Phones**

Distinctive designs set off by the luster of unique color tones give Toshiba’s mobile phones a classy feeling. But these compact bodies are also a quick response to market needs, and boast such features as a 3.2 megapixel camera, a large 3-inch LCD and integrated music player.



**gigabeat® U Series Digital Audio Player**

The newly expanded gigabeat line-up features compact, light bodies, a Toshiba-developed high-end processor, an FM radio tuner and direct recording from other audio equipment. Noise suppression adds to high quality output faithful to the original source.



### **MOBILE COMMUNICATIONS COMPANY**

In FY2006, in a severe market environment characterized by shrinking demand and falling sales units for individual models, we launched 18 new handsets for KDDI and SoftBank Mobile. By doing so, and despite a sudden fall in sales prices and intensified cost competition in a deteriorating market environment, we managed to maintain sales units at the same level as in the previous year, and to retain our position among the market leaders.

Overseas, the influence of steep price declines helped to spur the continued diffusion of 2.5G models and the launch of 3G models, in both the European and Asian markets, and we were able to win expanded sales.

The Mobile Communications Company is now directing resources to supporting participation in social networks and preparing for the appearance of ubiquitous networking by developing multimedia mobile phone terminals. These efforts will fuse Toshiba's leading-edge capabilities in such areas as high-speed wireless technology, including Bluetooth® and Wireless LAN, high resolution image processing engines, high capacity memory and HD, large screen LCDs. Looking to the future, the company will promote strategies for products to enhance Toshiba's name in this market, by further capitalizing on our strengths and expertise in graphic and advanced device technologies. Moreover, the emergence of a new genre of next-generation terminals for high speed communication and broadband wireless environments provide us with the welcome opportunity to advance our business to the global level. There, we will plan and deliver to our partner companies, highly differentiated products that support us in boosting our predominance in the mobile phone business.

### **DIGITAL MEDIA NETWORK COMPANY**

Business growth in large screen LCD TVs generated a substantial increase in sales in FY2006. Operating income (loss) was improved on the better performance of the TV business and the results of the Storage Devices business.

In the TV business we strengthened our product line-up and sales promotion focus with the February 2006 unveiling of "REGZA," a new global brand of LCD TVs. As a result, we recorded improvements in both sales and operating income. In September 2006 we established Toshiba Television Central Europe Sp. zo. o. in Poland, as the core manufacturing facility for LCD TVs for the European market. Prices of flat panel TVs are falling fast in a very tough, demanding market environment, but as the shift to larger screens and full HD continues to progress, we will develop the breadth of the "REGZA" and work for further sales expansion.

In the Storage Devices business, our main focus was on high capacity, high value-added 1.8-inch and 2.5-inch HDDs, while in optical disc drives we promoted a shift to sales and marketing of recordable DVD. These approaches supported us in achieving

higher sales and operating income. FY2006 saw us reach the milestone of production of 1 million HD DVD drives.

In the Digital AV business, DVD recorders completed a demand cycle, and this, combined with the continuing effect of a downturn in market scale the previous year, caused sales to ease, even as profit showed some improvement. In April 2006, we launched the world's first HD DVD player, and we kept the momentum going with the July launch of the world's first hard disk recorder integrating an HD DVD. In FY2007, as the leading company in the field, we plan to bring to market new products that combine stylish design with the latest advances in technology.

The Digital Media Network Company operates in a relentlessly severe market environment of fierce competition and intense price erosion, but, aiming to enhance Toshiba's name in the digital AV business sector, the company will energize the market through persistent release of leading-edge products leveraging Toshiba's distinct technologies.

#### **PERSONAL COMPUTER & NETWORK COMPANY**

In FY2006, we saw significant increases in overseas sales in the Personal Computer business, particularly in Europe and the United States. Sales stood at 971.8 billion yen, up 14% over the previous fiscal year, and worldwide shipments climbed dramatically, to record a rise of 20% over the previous term. Operating income was bolstered by the sales expansion, measures to improve management efficiency and progress in cutting constituent material costs, and was in the black to the tune of 6.9 billion yen.

The Personal Computer & Network Company is cultivating business growth and development in two areas: commodity products and differentiated products. In commodity products, we will achieve greater cost competitiveness, mainly by expanding the scale of sales, while in differentiated products we are making "AV notebook PC" and "Thin and Light" the guiding principles of product development. In February 2007, we brought to market the Qosmio G30/97A, the world's first AV notebook PC with an integrated HD DVD-R drive. We also renewed our dynabook line-up and deployed Windows Vista™ in all of our notebook PCs.

We anticipate continued high growth in our core business, notebook PCs, and will make full use of synergies that advance the creation of fusion products and look for continuous, dynamic growth. Moreover, we will seek to harness the continued progress of globalization and use it to drive business expansion. In an age of ubiquitous connectivity, in the three domains of the home, the office and the mobile, we will concentrate Toshiba Group's cutting-edge core technologies in the development of notebook PCs and servers, and business telephone systems, and work towards achievement of a truly comfortable computing and networking environment.

## > Electronic Devices Segment

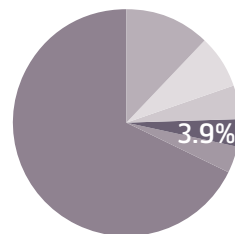
Electronic Devices increased consolidated net sales by 269.2 billion yen to 1,657.3 billion yen. The Semiconductor business saw increased sales against the previous year on solid sales of memories, mainly NAND Flash memory. Sales in the LCD business also increased on overseas sales growth. The Components business reported a sales decline, reflecting the cessation of production of some Cathode Ray Tube related products.

Consolidated operating income of Electronic Devices was 119.7 billion yen, a decline of 3.6 billion yen from the previous year. The Semiconductor business saw decreased operating income as a result of a significant decline in prices of NAND Flash memories, while the LCD business posted higher operating income, largely the result of focusing sales on high value-added products and of thorough cost reduction programs. Through a joint venture with SanDisk Corp., we expanded production of NAND Flash memories. Toshiba signed a contract with Micron Technology Inc. regarding the transfer and licensing of semiconductor patents, and agreed to end all ongoing disputes with Lexar Media, Inc., Micron Technology's subsidiary. In addition, it concluded a patent cross-license contract with Hynix Semiconductor Inc. in South Korea to terminate all of the disputes. Toshiba sold all of its shares in SED Inc. to Canon Inc., but will continue to strive to launch a TV business utilizing high picture quality SED panels.

### Toshiba's position in the market

Share of the global semiconductors market for 2006

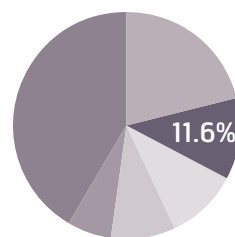
		Sales (Million of US\$)	Share (%)
1	Intel	31,542	12.1
2	Samsung Electronics	19,842	7.6
3	Texas Instruments	12,600	4.8
4	<b>Toshiba</b>	<b>10,141</b>	<b>3.9</b>
5	STMicroelectronics	9,854	3.8
	Others	176,215	67.8
	<b>Total</b>	<b>260,194</b>	<b>100.0</b>



Source: iSuppli Corporation (March 2007)

Share of the global small- and mid-sized TFT-LCD market for 2006

		(Amount base)	Share (%)
1	Sharp		21.1
2	<b>Toshiba Matsushita Display Technology</b>		<b>11.6</b>
3	Sanyo Epson		10.3
4	Samsung		9.2
5	Hitachi		6.3
	Others		41.5
	<b>Total</b>		<b>100.0</b>



Source: DisplaySearch (January 2007)



### **Organic Light Emitting Diode (OLED) Display**

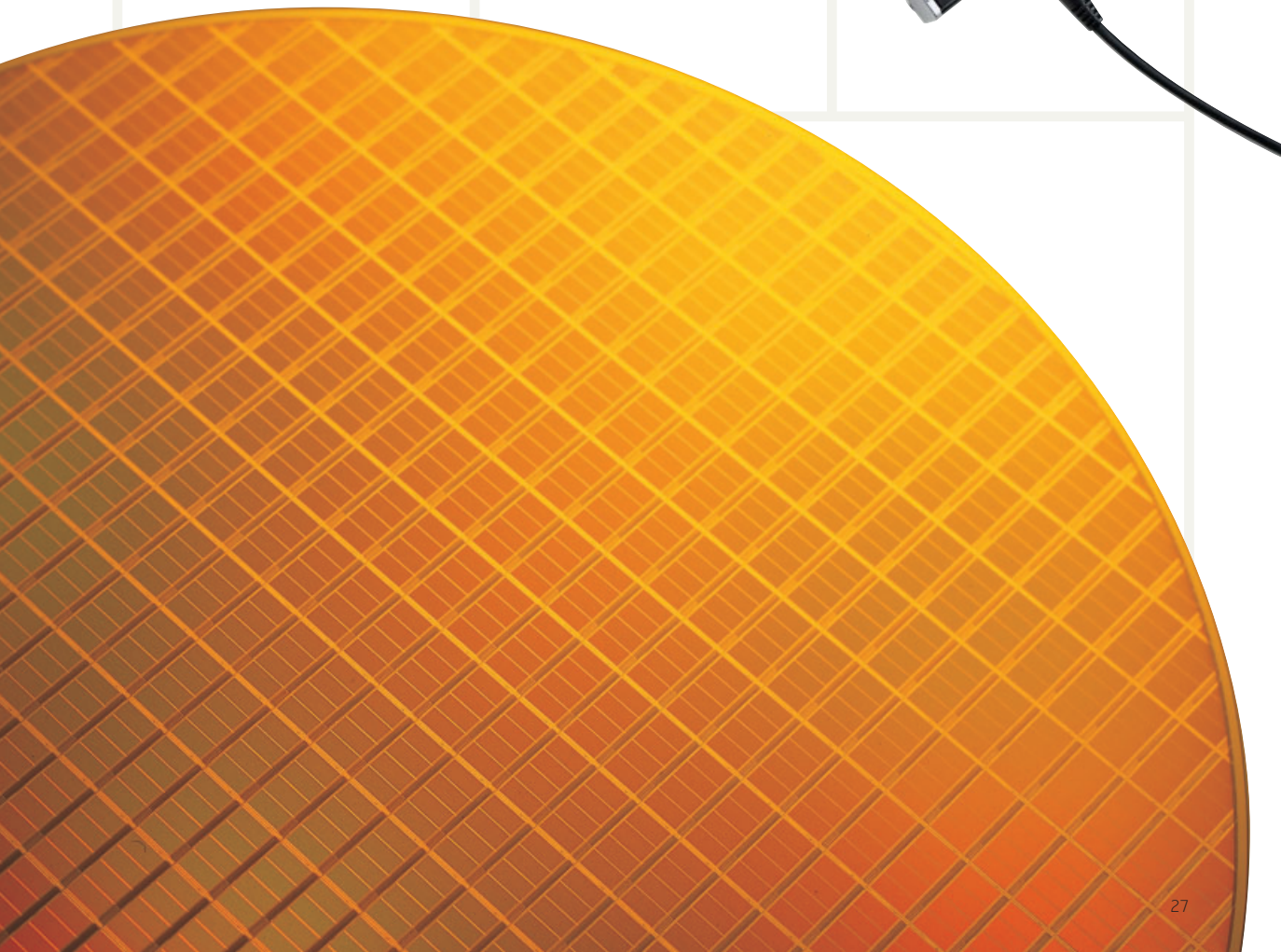
We have successfully developed polymer type and small molecule type OLEDs; a display only 0.99mm thick for application in mobile phones; and an LCD with integrated input function that offers substantially improved operation in a wide range of ambient light intensities.

### **NAND Flash Memory**

Construction of a new 300mm wafer manufacturing facility, Fab 4, started at Yokkaichi Operations in August 2006. Mass production is scheduled to start in the third quarter of FY2007.

### **Direct Methanol Fuel Cell (DMFC)**

We are advancing development of DMFC for mobile equipment with a strong emphasis on commercialization.



### **SEMICONDUCTOR COMPANY**

In FY2006, we saw positive growth in demand for NAND Flash memory, CMOS sensors, System LSIs for digital consumer products, and discrete devices. This positive trend produced a 25% increase in sales. In profit and loss, precipitous price falls in NAND Flash memory had a major impact, reducing operating income by 4%. However, we did manage to secure a high level of profit that matched that of the previous fiscal year. In 2006, we ranked fourth in global sales.

In NAND Flash memory, mobile phones and portable media players were the main market drivers. This year, too, we anticipate dynamic market expansion, and we are positioned to respond. Work on a 300mm wafer production facility (Fab 4) at Yokkaichi Operations has made good progress since construction started in August 2006, and we expect to start mass production in the third quarter of FY2007. We will also overcome intensifying competition and continue to make progress by assuring our continued pre-dominance in future generations of process technology and multi-level cell technology.

CMOS sensors and System LSIs for digital consumer products turned in solid performances. Looking to the future, we established a successful System LSI mass production platform for next generation 45nm process technology through co-development with Sony Corporation and NEC Electronics Corporation.

With power devices and optical semiconductors in center place, the Discrete business generated higher sales. We expect to see continued growth in demand for power devices, and in readiness for that Kaga Toshiba Electronics Corporation started construction of new production facilities in September 2006. The project was completed in March 2007.

In FY2007 and beyond, we will reinforce our business portfolio by directing management resources to product areas where we look for continued growth. NAND Flash memory will continue to take central place as we promote efforts to expand our memory business, and we also expect growth in our System LSIs and Discrete businesses.

### **DISPLAY DEVICES & COMPONENTS CONTROL CENTER**

In October 2005, we brought production of Cathode Ray Tube related products to an end, and the influence of this move was felt in lower sales for FY2006. However, results from the reorganization of the Cathode Ray Tube related business allowed us to achieve substantial improvements. In the Electron Tubes and Devices business and the Materials business, we saw favorable performances from current businesses. Looking to the future, we will continue to strengthen our businesses and support social life by supplying key devices: power tubes for accelerators and X-ray tubes in the Electron tube business; precision manufactured parts and materials in the Materials business; and thermal print heads and other products in the Solid-state Device business. Beyond that, we will continue development of Direct Methanol Fuel Cell (DMFC) for mobile

equipment, toward the goal of commercialization. In this, we will draw on technical power that has already seen our DMFC featured in *Guinness Records* as the Smallest Direct Methanol Fuel Cell, and aim to deliver an epoch-making power supply system that provides electricity for the long haul.

We have made major progress in the development of a diagnostic DNA chip. In July 2006, Toshiba, Daiichi Pure Chemicals Co., Ltd. and Toshiba Hokuto Electronics Corporation agreed to develop and commercialize a DNA-chip-based in vitro diagnostic system, utilizing electrochemical DNA chip technology from Toshiba and know-how in in vitro diagnosis from Daiichi Pure Chemicals. The companies will move forward under a formal contract to promote collaborative research, working for practical implementation of in vitro diagnosis of infectious diseases and cancers.

In FY2007, we will strengthen current businesses, draw on core technologies to enter new fields and increase our business scale, and drive forward the commercialization of our new next-generation device, DMFC.

#### **TOSHIBA MATSUSHITA DISPLAY TECHNOLOGY CO., LTD.**

FY2006 was a demanding year of continuing sharp price erosion and an extremely severe business environment. However, we completed a new Low Temperature Polysilicon TFT line at Ishikawa Works in April 2006, as planned, and through a primary focus on mobile telephones we continued to meet healthy demand and recorded higher sales. A 60% increase in operating income against the year earlier period boosted profit, and reflected a shift to high value added products and comprehensive cost-cutting measures that allowed us to overcome sales price depreciation.

We also made research and development of new products and technologies a main focus of our activities. Among many results, we successfully developed a 0.99mm thin LCD for mobile phones, started mass production of a high luminance, high reflectance 8.9-inch transfective Low Temperature Polysilicon LCDs for notebook PCs, and succeeded in substantially improving the performance of an LCD with built-in input function when operating under wide lighting conditions.

Our capital investment is directed to assuring that we can meet the growth of the mobile phone market. Towards this, we are raising capacity at Ishikawa Works, our TFT LCD panel facility, with a new line that will produce 12,000 TFT substrates a month. The new line is scheduled to start operation in October 2007, and this reinforcement of plant and equipment will sharpen our ability to meet strong demand in Japan and overseas.

In FY2007, we will make the shift to even higher value added products, promote thorough measures for cost reduction, and continue to make steady progress in our business.

## > Social Infrastructure Segment

Social Infrastructure saw consolidated net sales of 2,067.7 billion yen, 185.4 billion yen higher than for the previous year. The Power Systems business saw sales rise on the consolidation of Westinghouse Group into Toshiba Group. The Social Infrastructure Systems business reported increased sales, primarily in transmission network systems. Sales in the Medical Systems business rose from a year earlier, on strong sales of multi-slice CT system, and the Industrial Systems business also recorded increased sales on higher sales of automation systems for train station operations. While the IT Solutions business saw a sales decline, the Elevator business saw increased sales on growth of orders in the Japanese market.

Consolidated operating income in Social Infrastructure was 96.8 billion yen, a 20.3 billion yen increase from the year earlier period. The Medical Systems business maintained solid profitability, while the Industrial Systems business saw a decline in operating income. The Power Systems business saw improved performance, and the Elevators, Social Infrastructure Systems and IT Solutions businesses all posted solid performances.

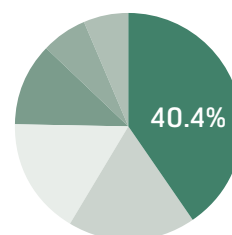
The main organizational change came with the October 2006 completion of the Westinghouse Group acquisition, which is expected to generate synergies and significantly advance global development of the nuclear power business. In addition, the segment's in-house companies were reorganized in April 2006 as Power Systems Company, Industrial Systems Company and Social Infrastructure Systems Company.

In connection with the obstruction of competitive bidding for orders placed by the former New Tokyo International Airport Authority, we were obliged to partially suspend business under the Construction Industry Law from March to April 2006. The Group took various measures to eliminate illegal bidding acts and to reestablish public trust.

### Toshiba's position in the market

#### Share of the U.S. steam turbine and generator market for 2006

		MWe	Share (%)
1	<span style="color: #2e7d32;">■</span> Toshiba	3,260.0	40.4
2	<span style="color: #a5c637;">■</span> Hitachi	1,469.3	18.2
3	<span style="color: #c5e1a5;">■</span> Alstom	1,347.0	16.7
4	<span style="color: #4f7942;">■</span> Mitsubishi Heavy Ind.	952.0	11.8
5	<span style="color: #546e7a;">■</span> General Electric	526.0	6.5
	<span style="color: #757575;">■</span> Others	519.0	6.4
	<b>Total</b>	<b>8,073.3</b>	<b>100.0</b>



Source: McCoy Power Report  
"Steam Turbine Report 2006"



### Ticket Barrier for Contactless Smartcard

Introduced in March 2007, the "PASMO" card integrates an IC that stores credit for use on trains and buses, and as e-money in many stores. Toshiba developed user-friendly ticket barriers with a "PASMO" processing unit.



### Diagnostic Ultrasound Systems

Ultrasound systems offer a non-invasive diagnostic modality that is a patient-friendly machine and that does not expose patients to radiation. Toshiba commands the top share of the domestic market, approximately 30%, with systems that integrate our distinctive tomographic imaging and blood flow imaging technologies. Through our activities, we seek to contribute to the health of people around the world.

## POWER SYSTEMS COMPANY

In FY2006, Westinghouse Group became a consolidated subsidiary, we saw favorable domestic and overseas business in thermal power, transmission and distribution systems, and achieved notable improvements in sales and operating income.

The October 2006 completion of the acquisition of Westinghouse Group gave Toshiba world-class capabilities in the two main nuclear power generation systems, PWR (pressurized water reactor) and BWR (boiling water reactor), and positioned us as the leading business group in the world nuclear power market. In the thermal power business, our main focus is on the North American steam turbine and generator business, where we have secured the largest market share for four consecutive years. In March 2007, we reinforced our steam turbine and generator service capabilities in North America through the acquisition of ReGENCo, a U.S. service provider.

Looking to the future, in Japan we will focus on plant service, maintenance and refurbishment, while in overseas growth markets, particularly Asia, China, and North America, we will take measures to enhance our competitive power, including strategic alliances where appropriate. We will continue to refine our technologies, and to promote nuclear power as a solution to problems facing the global environment. Synergies with Westinghouse Group will accelerate the expansion of BWR and PWR as leading technologies on the global stage.

### INDUSTRIAL SYSTEMS COMPANY

In FY2006, sales grew on the strength of our performance in locomotives and rolling stock electrical equipment; an increase in large projects, including railway station service systems related to "PASMO" contactless smartcards; and sales of general-purpose industrial motors and inverters. We won orders in Japan for electrical equipment for the Series N700 Shinkansen, and large orders overseas, including orders for electric locomotives for South Africa and mail processing equipment for La Poste (France).

China's surging demand for electric power is paralleled by demand for vacuum interrupters, key components in power stations and factories. We responded by forming a joint venture with a local sales and manufacturing company in January 2007.

We will continue to offer a wide range of industrial systems in both the Japanese and overseas markets, and continue our positive efforts to develop new technology.

### SOCIAL INFRASTRUCTURE SYSTEMS COMPANY

FY2006 sales and income surpassed those of the previous year, as supply of main systems for terrestrial digital broadcasts to regional broadcasters peaked and communications networks expanded.

In infrastructure systems, we focus on environmentally conscious power distribution systems and IT solution systems for building, highway and river management facilities. In water and environmental systems, we are deeply involved in the renewal of water purification and sewage treatment plants, and expanding our business in environment systems that meet social needs. In broadcasting and network systems, we will enter the field of video production and editing, promote overseas expansion in broadcasting equipment, and start up new business in next-generation wireless communication equipment. In radio application systems, including radar and information processing systems, we will anticipate changes in customer requirements and expand our range of next-generation products, and advance measures to promote overseas business.

We contribute to society's peace of mind, safety and comfort by providing a wide range of environmentally conscious products and systems that serve social needs.

### TOSHIBA ELEVATOR AND BUILDING SYSTEMS CORPORATION

In FY2006, sales were higher on completion of new projects in the domestic market, particularly in the capital region, and on growth in the domestic maintenance business.

Technology innovations allowed us to market "SPACEL-EX" elevators meeting the Ministry of Land, Infrastructure and Transport's measures for earthquakes and disaster prevention, including functions for emergency rescue and automatic restoration of operation as standard. Our P wave (initial tremor) sensor is an additional standard function that detects earthquakes as they arrive.

China, our main overseas market, saw intense competition and price reductions on over-supply. Seeking to capture an even larger share of the home-use market, we launched new models in the “ELCOSMO-V” Series. Moving forward, and to promote further growth, we will make China our primary focus and promote moves to develop a global business.

### **TOSHIBA SOLUTIONS CORPORATION**

In recent years, the Japanese IT market has grown at an annualized rate of just over 2%. In FY2006, we achieved steady results in package solutions and solutions for banks, securities companies, the press, and telecoms, and expanded sales of software for digital equipment, including mobile phones. We won a major order from central government for a new large-scale basic system. We started new business in sales control and internal control solutions for medium-sized companies. As a result, net sales were comparable with the previous year, and operating income was higher.

Our objective now is to continue to supply high quality solutions that make us the “No. 1 Solutions Partner for Customers.”

### **TOSHIBA MEDICAL SYSTEMS CORPORATION**

In FY2006, Japan and major countries around the world reduced the reimbursement cost for medical treatment and services, and took initiatives to control medical costs. These measures, plus intensifying global competition, slowed growth in the medical equipment market.

In this severe environment, we promoted sales by concentrating on leading-edge technologies for medical equipment and systems. Above all, we focused on the 64 multi-slice CT system, a breakthrough product that enhances medical care while promoting efficiencies in hospital management. Since its launch, the system has won highly positive evaluations around the world, producing a ripple effect that has favorably impacted on our global sales of MRI, X-ray and ultrasound equipment. As a result, we once again sustained sales and operating income at a high level in FY2006. During the year, we also reinforced our global business organization through measures that included establishing an R&D Center in the United States and a local subsidiary in China.

Looking ahead, we will build on the success of our CT system by promoting advanced technology development that assures we are first to commercialize a next-generation CT system. We will also propose to our customers broad health-care solutions that maximize quality of medical care, efficiency and safety in the clinical pathology cycle of physical examinations, diagnosis, treatment and follow-up.

## > Home Appliances Segment

Growth in high value added products, favorable sales of air-conditioners and washing machines, and a healthy performance in the lighting equipment business, including industrial-use lighting, generated sales that were 61.4 billion yen higher than in the previous period at 748.9 billion yen, while operating income increased by 7 billion yen to 9.7 billion yen. We launched a succession of innovative products which met with a positive response.

### Toshiba's position in the market

#### Washing machine market share by unit sales

Over the three years 2004 to 2006, we maintained the No. 1 share in the Japanese washing machine market in terms of unit sales.



Source: A nationwide survey of leading electronic goods retailers by GfK Japan

### TOSHIBA CONSUMER MARKETING CORPORATION

#### Home Appliances business

FY2006 was characterized by growth in high value-added products that contributed to increased profit, such as low pressure IH rice cookers with vacuum pump, the Typhoon Robo XP series of vacuum cleaners with automatic filter cleaning, and simple heat control IH cooking heaters.

We brought to market high volume refrigerators and washer-dryers with an air-conditioning function, and a hybrid drum that dries clothes at low temperature.

We promoted strategic organizational changes. Until now, Toshiba TEC Corporation has developed and manufactured vacuum cleaners, juicers and mixers. In order to improve the speed of decision making, and to enhance the overall efficiency of the business structure, that business became a part of Toshiba HA Products Co. Ltd. on June 1, 2007. We also moved to increase competitive power in the refrigerator business, by transferring production from Osaka Operations to a production facility in China at the end of September 2007. We further plan to transfer refrigerator development and design to Aichi Operations, which will be positioned as our global product and manufacturing technology development center, by the end of March 2008.

With the objective of increasing overseas sales, we market drum-type washer-driers and multi-door refrigerators as value-added products in China, Southeast Asia and Taiwan. We will also reinforce efforts to increase sales to the home construction market.

#### Air-conditioning business

Exports of medium-sized air-conditioning equipment, mainly in Europe, supported sales growth in the air-conditioning business in FY2006. We also started sales of the innovative

### **Typhoon Robo XP Series Vacuum Cleaners**

The Typhoon Robo X Series is our high-end model of the Typhoon Robo Series. High wind pressure inside the system during cleaning maintains a high level of suction, with no need for filter maintenance for as long as 10 years.



### **Daiseikai Room Air-conditioners**

The recently introduced “long and pleasant” SDR Series of room air-conditioners offers “four cleaning functions” in the indoor unit that cut energy consumption from installation right through the next ten years of operation.

### **E-CORE Highly Efficient LED Downlight**

In terms of energy efficiency and long life, LED offer unsurpassed environmental friendliness. We have developed the E-CORE downlight as the industry’s most efficient general lighting LED product with 50lm/W output.



Daiseikai SDR Series, small-sized air-conditioners that feature automated cleaning of the filters and ducts—a total of “four cleaning functions.” Super Flex Modular Chiller, an industrial-use air-conditioners won the METI Minister’s Prize for FY2006 (the 17th year), marking the ninth consecutive year that our products have won a major prize for energy conservation.

### **Lighting business**

In FY2006, good performances in general lighting and industrial lighting produced increased profit for the lighting business. In the field of general lighting, our newly developed Mellow Z PRIDE fluorescent lamps have a 12,000-hour life, twice that of today’s typical products, and are also 30% brighter. In LED lighting, we have developed the E-CORE, a highly efficient downlight with built-in power unit, and we plan to bring it to market in July 2007. LED lighting offers a very high level of eco-efficiency: it uses less energy, has a long life, is compact and light, and requires fewer raw materials. This is a product area where we expect to see further growth.

In the cold cathode fluorescent tubes that provide the backlighting for LCDs, we have established a global production capacity of 31 million units a month, and once again achieved new sales records.

## > CSR Management

By positioning CSR as a pillar of management, Toshiba Group, as “a corporate citizen of planet Earth,” accords the highest priority to human life, safety and legal compliance, and aspires to play a positive role in the realization of a sustainable society.

### PROMOTING CSR MANAGEMENT

Toshiba Group positions CSR at the heart of management, alongside “Sustained Strong Growth with High Profit” and maximization of the multiplier effect of innovation.

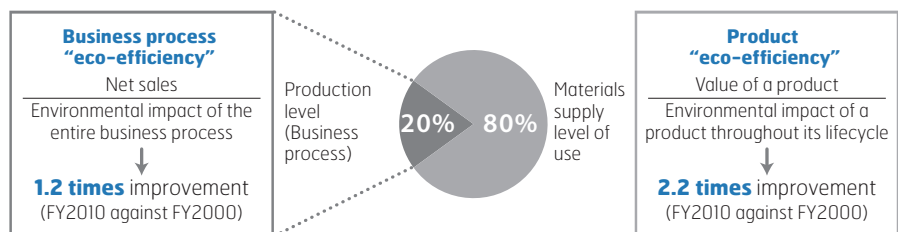
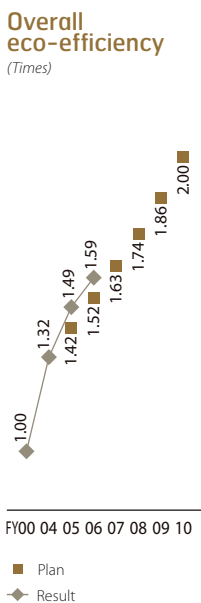
Based on the fundamental principles of according the highest priorities to human life, safety and legal compliance in all business activities, Toshiba Group is addressing human rights, environmental management, enhancement of customer satisfaction, corporate citizenship and promotion of supplier CSR activities, both in Japan and overseas.

### FOR A BETTER GLOBAL ENVIRONMENT

As “a corporate citizen of planet Earth” we keep two things at the front of our mind when implementing CSR activities. The first is our role as a leader working for the betterment of the global environment. In “Environmental Vision 2010,” Toshiba Group sets itself the target of doubling overall eco-efficiency by FY2010, against the benchmark year of FY2000. We are advancing towards this goal by promoting environmental management focused on “enhancement of product eco-efficiency” and “business process innovation.” In FY2006, eco-efficiency achieved surpassed the target of 1.52, rising by 0.07 points to 1.59.

The second is our position in carrying out business activities around the world. By respecting the history, culture and customs of each country and region, Toshiba Group strives to be a global enterprise that is worthy of the trust of the wider society.

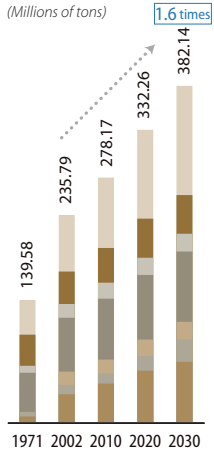
### Environmental Vision 2010 = double overall eco-efficiency (FY2010 against FY2000)



\* Double overall eco-efficiency= Business process "eco-efficiency" (1.2X) × 20% + Product eco-efficiency (2.2X) × 80%



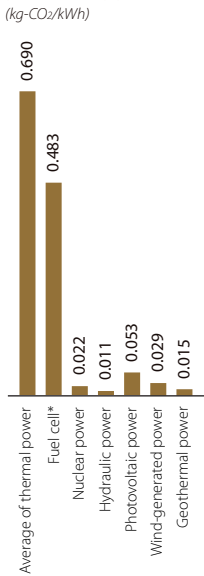
### Transition in the World CO<sub>2</sub> Emission



- Others
- Japan/Korea
- Russia
- China
- EU
- U.S./Canada
- India

Source: IEA World Energy Outlook 2004

### Emission of carbon dioxide (CO<sub>2</sub>) by power supply



Source: Report by Central Research Institute of Electric Power Industry, etc.

\*Emission from fuel cells includes the amount of CO<sub>2</sub> reduction achieved by heat utilization in co-generation systems.

### ENERGY SECURITY / MITIGATION OF CLIMATE CHANGE

By 2030, global energy demand is expected to increase to 1.5 times that of today. For Toshiba Group, contributing to securing a stable energy supply while controlling emissions of CO<sub>2</sub> and mitigating climate change is a major mission.

We have expertise in mainstream thermal and nuclear power generation systems, and we are driving forward hydroelectric power generation and other renewable energy sources, such as fuel cells, wind power, geothermal sources and biomass.

Nuclear power generation produces electricity, but not CO<sub>2</sub>. Among current systems for large scale electricity generation, nuclear power emits by far the lowest levels of CO<sub>2</sub>. As a result, there is growing demand around the world for new nuclear power plants, as a means to mitigate climate change.

In thermal power generation, we are seeking to raise operating efficiency and to cut emissions of CO<sub>2</sub>. We aim to achieve significant reductions in emissions, and towards this we are investigating methods for capturing and fixing CO<sub>2</sub>.

### TOSHIBA PLANTS A FOREST OF 1.5 MILLION TREES AROUND THE WORLD

Looking forward to 2025, Toshiba's 150th anniversary, we are implementing a project to plant 1.5 million trees around the world.

In 2005, working in cooperation with Japan's Forest Agency, we established Toshiba Forest in Gotemba, Shizuoka Prefecture. In addition to that, in Tatsuno City, Hyogo Prefecture, we are supporting a project to regenerate woodlands in the countryside. In Chongqing, China, we are collaborating in a reforestation project, and Toshiba Group companies in Thailand participate in planting mangrove trees. In April 2007, we started collaborating with an NPO to set up a project under which employee volunteers help reforest at Loess Plateau in Shanxi Province, 300km west of Beijing.

We will continue to encourage employees to get involved in voluntary reforestation and fund-raising activities, and in contributing to protect the global environment.



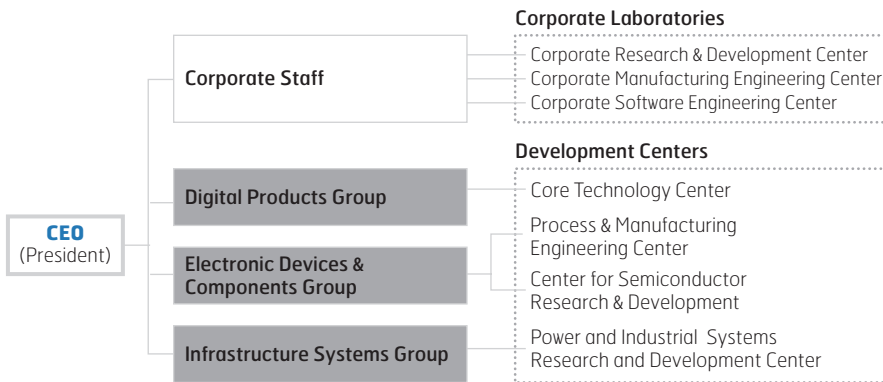
Tree planting at Loess Plateau, China



## > Research and Development

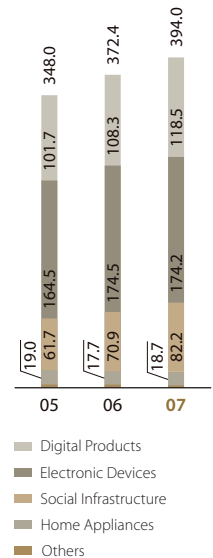
### RESEARCH & DEVELOPMENT ORGANIZATION

Toshiba takes a clear stance in promoting R&D activities: development centers in each company do research for today, the Corporate Research & Development Center does research for tomorrow. We are also advancing measures to take innovation to the global level, and promoting research activities in Toshiba research facilities in Europe, the United States, China and in Southeast Asia.



### R&D expenditures

(Billions of yen)



### INITIATIVES IN FY2006

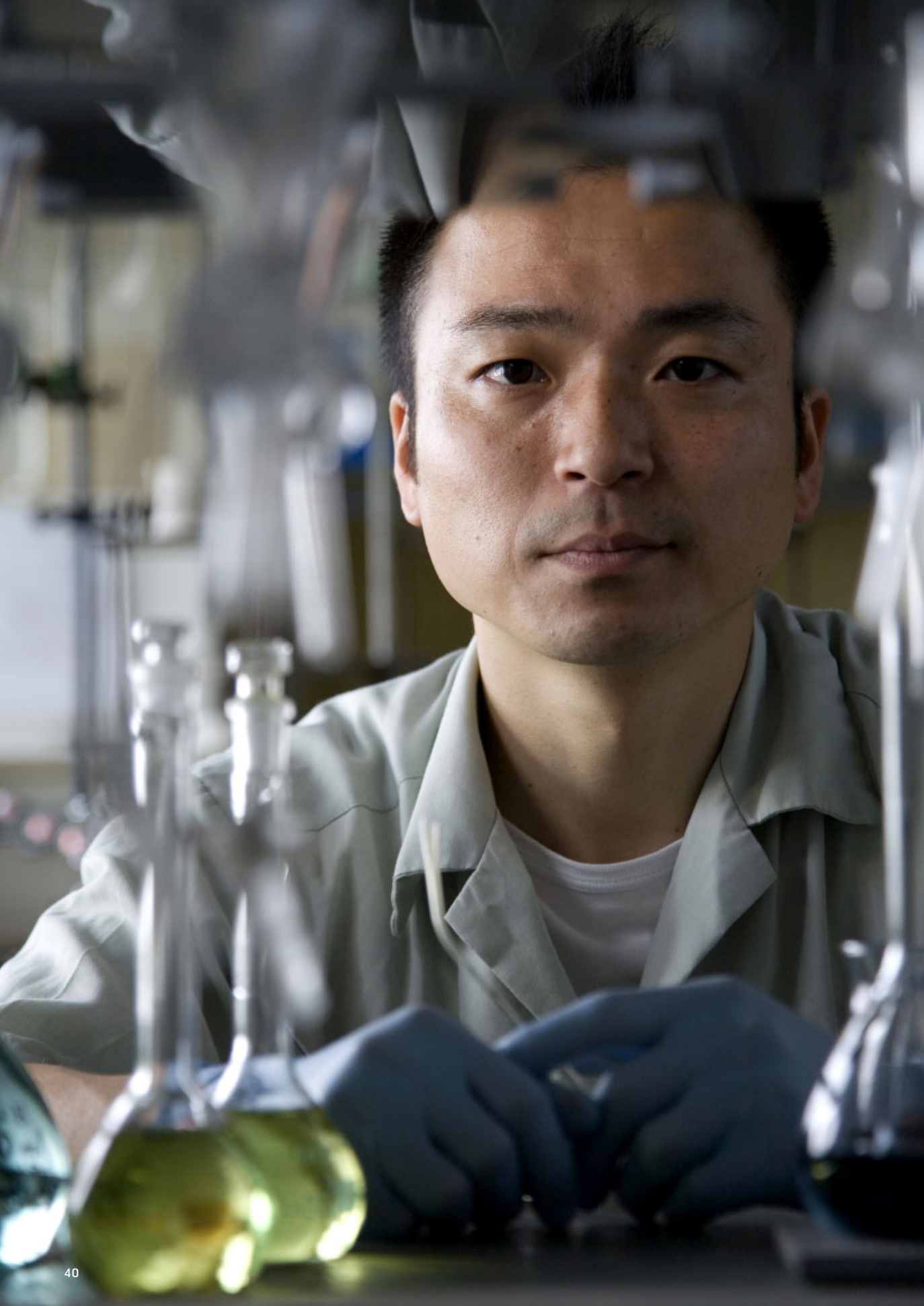
Toshiba's main businesses are in Digital Products, Electronic Devices and Social Infrastructure, all highly demanding domains. Each business must focus on present growth by strengthening development of strategic products and services, and on future growth by cultivating technology seeds that will underpin corporate profitability.

In the Digital Products business, where competitive strengths in imaging technology and storage device technology are at the heart of the business, and in the Electronic Devices business, where NAND Flash memory is the central product, cross-divisional projects can win major gains in securing the early development of strategic products and components. In the Social Infrastructure business, we continue to promote R&D activities geared to growth.

Under the slogan of creativity for commoditized technology, Toshiba Group will continue to pursue constant innovation and promote creativity in the vanguard of technology development.

### Recent R&D Results

- The world's first HD DVD recorder
- 100GB 1.8-inch HDD
- NAND Flash memory fabricated with 56-nanometer process technology
- Japan's first facial recognition system for pedestrians



## > Intellectual Property

### INTELLECTUAL PROPERTY STRATEGY

Toshiba Group promotes a three-fold intellectual property (IP) strategy that emphasizes patent applications, patent enforcement, and IP management in unity with the Group's business and R&D strategies, and as a means for continued progress toward sustained and dynamic growth.

Our patent application strategy centers on building a strong portfolio by proactively filing large numbers of patent applications in core technology areas. We are paralleling Toshiba's globalization by strengthening overseas patent applications, primarily in the U.S. and China, and also in Europe and Asia.

In our patent enforcement strategy, we enforce our IP rights through such measures as strategic licensing, restricted licensing and strategic alliances, in order to generate licensing income and win market share.

Our IP management strategy supports, for example, patent prosecution, and maintenance and control of appropriate technical information, in order to benefit Toshiba Group as a whole. We also train expert IP personnel.

### IMPORTANT PATENTS AND COMMENDATIONS FOR INVENTIONS

Toshiba Group has a large patent portfolio that includes large numbers of key patents for semiconductors and standard and next-generation DVD. These latter patents have been licensed to multiple manufacturers around the world, while Toshiba's many and essential patents for NAND Flash memory support the Company in efforts to raise corporate profitability.

Toshiba Group's diverse high-tech capabilities have earned a very positive evaluation by society. In FY2006, the invention of an electron beam writing technology for semiconductor masks won "The Prize of the Minister of Economy, Trade and Industry," the Japan Institute of Invention and Innovation recognized the Company's achievements in advancing science and technology and industrial development with the "21st Century Encouragement of Invention Prize" for the invention of a method for forming an oxide semiconductor.

### Japanese patents registrations (2006)

Ranking		No. of registrations
1	Matsushita Electric Industrial	3,939
2	Toshiba	2,910
3	SeikoEpson	2,477
4	Hitachi	2,362
5	Mitsubishi Electric	2,293
6	Canon	2,290
7	Sony	1,869
8	Denso	1,843
9	Fujitsu	1,834
10	Honda	1,824

Results shown above are based on survey through PATOLIS-e

### U.S. patents registrations (2006)

Ranking		No. of registrations
1	IBM	3,651
2	Samsung Electronics	2,453
3	Canon	2,378
4	Matsushita Electric Industrial	2,273
5	Hewlett-Packard	2,113
6	Intel	1,962
7	Sony	1,810
8	Hitachi	1,749
9	Toshiba	1,717
10	Micron Technology	1,612

Source: U.S. IPI Co., Inc.'s data

### Number of patent applications by business segment (FY2006)

	Corporate Laboratories	Digital Products	Electronic Devices	Social Infrastructure	Home Appliances	Total
Japan	1,439	1,700	2,001	2,827	242	8,209
U.S.	628	1,364	979	303	8	3,282
China	320	212	230	229	35	1,026

## > Corporate Governance

### TOSHIBA'S GOVERNANCE SYSTEM

Toshiba promotes corporate governance based on the fundamental policy and objectives of enhancing management efficiency, increasing transparency, and seeking to maximize corporate value from the shareholders' perspective.

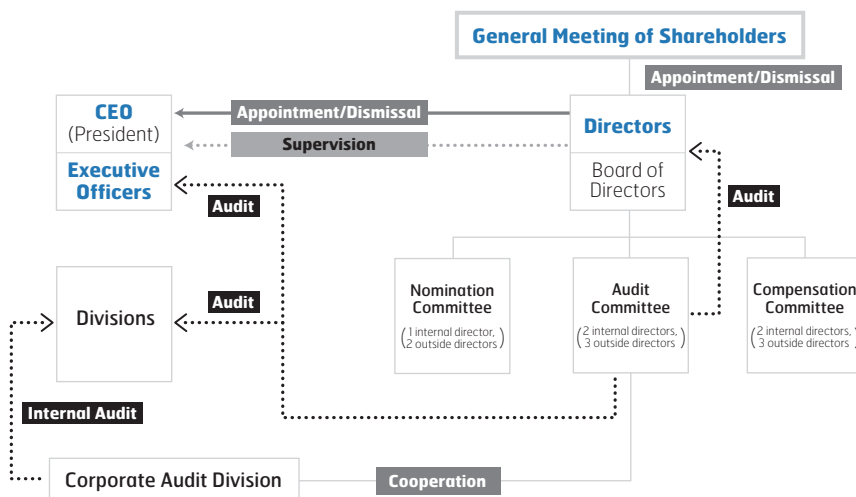
In June 2003, Toshiba made the transition to a "Company with Committees" system introducing Audit, Nomination and Compensation Committees, in order to improve management speed and flexibility, reinforce supervision and increase transparency. The Company also established the Corporate Governance Committee.

The board now has 14 directors, seven of them non-executive officers. Each of the three committees has a majority of outside directors, and the Nomination Committee and Compensation Committee are both chaired by outside directors.

Under the Companies Act of Japan, the Nomination Committee is responsible for making proposals on the appointment and dismissal of directors. At Toshiba, the Nomination Committee is also charged with making recommendations on the appointment and dismissal of the president and members of the committees.

Outside directors are provided with extensive support. They receive advance explanations on matters to be resolved at board meetings from the responsible staff, and they can attend the monthly liaison meetings for executive officers, allowing them to communicate and share information with the executive officers. Outside directors on the Audit Committee are supported by the full-staff of the Audit Committee Office. Outside directors serving on the Nomination Committee or Compensation Committee also receive support from staff.

### Corporate governance structure



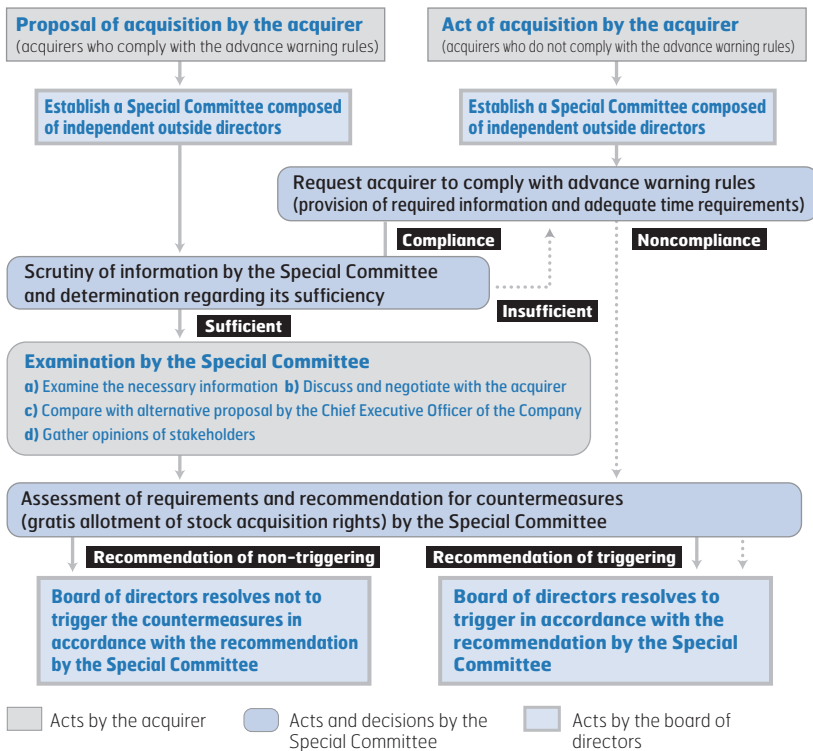
## INTRODUCTION OF TAKEOVER DEFENSIVE MEASURES

Toshiba introduced countermeasures against any large-scale acquisition of the Company's shares (the Plan), following approval from the shareholders at the Ordinary General Meeting of Shareholders held in June 2006. The Plan is aimed at protecting and enhancing the corporate value of the Company and the common interests of the shareholders.

The Plan explicitly sets forth procedure to be followed in the event of any large-scale purchase of Toshiba stock, to ensure that shareholders are provided with all necessary information and sufficient time to make appropriate decisions, and that the Company has sufficient opportunity to negotiate with the acquirer.

When an acquirer proposes or starts to make an acquisition or takeover bid that would result in the acquirer holding 20% or more of the Company's total outstanding shares, the board of directors will establish a Special Committee composed entirely of independent outside directors. The Special Committee will consider and evaluate the details of the acquisition purchase and negotiate with the acquirer.

### Diagram of Countermeasure Process for Large-Scale Acquisitions of Company Shares



## Directors



**Tadashi Okamura**  
*Chairman of the Board  
of Directors*



**Atsutoshi Nishida**  
*Director*



**Shigeo Koguchi**  
*Director*



**Yoshiaki Sato**  
*Director*



**Masao Niwano**  
*Director*



**Toshio Yonezawa**  
*Director*

## Executive Officers

*Representative Executive Officer  
President and Chief Executive Officer*

**Atsutoshi Nishida**

*Representative Executive Officers  
Corporate Senior Executive Vice Presidents*

**Shigeo Koguchi**

**Yoshiaki Sato**

**Masao Niwano**

**Toshio Yonezawa**

*Executive Officers  
Corporate Executive Vice Presidents*

**Makoto Azuma**

**Masashi Muromachi**

*Representative Executive Officer  
Corporate Executive Vice President*

**Fumio Muraoka**

*Executive Officers  
Corporate Executive Vice Presidents*

**Hisatsugu Nonaka**

**Masao Namiki**

**Chikahiro Yokota**

**Norio Sasaki**



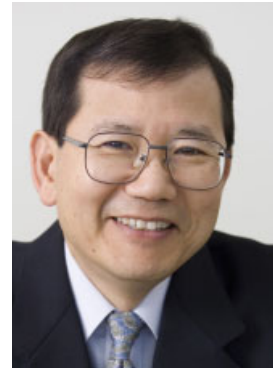
**Fumio Muraoka**  
*Director*



**Kazuo Tanigawa**  
*Director*



**Sadazumi Ryu**  
*Director*



**Toshiharu Kobayashi**  
*Director*



**Atsushi Shimizu**  
*Outside Director*



**Kiichiro Furusawa**  
*Outside Director*



**Hiroshi Hirabayashi**  
*Outside Director*



**Takeshi Sasaki**  
*Outside Director*

*Executive Officers  
Corporate Senior Vice Presidents*

**Yoshihide Fujii**  
**Toshinori Moriyasu**  
**Ichiro Tai**  
**Kazuo Tanigawa**  
**Shozo Saito**  
**Hidejiro Shimomitsu**

*Executive Officers  
Corporate Vice Presidents*

**Shunsuke Kobayashi**  
**Toru Uchiike**  
**Mutsuhiro Arinobu**  
**Nobuhiro Yoshida**  
**Michiharu Watanabe**  
**Hisao Tanaka**  
**Yoshio Ooida**  
**Shunichi Kimura**  
**Koji Iwama**

**Satoshi Niikura**  
**Toshiharu Watanabe**  
**Keizo Tani**  
**Hidemi Miura**  
**Hideo Kitamura**  
**Shoji Yoshioka**  
**Kosei Okamoto**  
**Kazuyoshi Yamamori**

(As of June 25, 2007)





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Major indices of the Data Section have been compiled chronologically based on the fiscal years. For the details of financial information for the year ended March 31, 2007, please refer to the "Financial Review 2007."

> CONSOLIDATED FINANCIAL SUMMARY

	'97/3	'98/3	'99/3	'00/3
<b>Net Sales, Operating Income (Loss) and Net Income (Loss)</b>				
Net sales	¥5,521.9	¥5,458.5	¥5,300.9	¥5,749.4
Cost of sales	3,932.6	3,960.2	3,890.6	4,254.4
Selling, general and administrative expenses	1,391.5	1,416.0	1,379.8	1,394.0
Operating income (loss)	197.8	82.3	30.5	101.0
Income (loss) before income taxes and minority interest	140.0	30.6	13.2	(39.2)
Income taxes	71.6	17.3	20.9	(4.5)
Net income (loss)	67.1	14.7	(9.1)	(32.9)
EBITDA*1	446.9	378.5	378.3	352.9
<b>Profitability Ratios</b>				
Operating income ratio (%)	3.6	1.5	0.6	1.8
Return on sales (%)	1.2	0.3	(0.2)	(0.6)
Cost of sales ratio (%)	71.2	72.6	73.4	74.0
Selling, general and administrative expenses ratio (%)	25.2	25.9	26.0	24.2
<b>Total Assets, Total Shareholders' Equity and Interest-bearing Debt</b>				
Total assets	5,933.2	6,166.3	6,101.9	5,780.0
Total shareholders' equity	1,388.8	1,305.9	1,128.8	1,060.1
Interest-bearing debt	1,954.0	2,260.8	2,181.7	1,967.3
Long-term debt	718.2	1,012.4	1,178.4	1,121.9
Short-term debt	1,235.8	1,248.4	1,003.3	845.4
Shareholders' equity ratio (%)*2	23.4	21.2	18.5	18.3
Debt/equity ratio (Times)*3	1.4	1.7	1.9	1.9
<b>R&amp;D, Capital Expenditures, Depreciation</b>				
R&D expenditures	332.6	322.9	316.7	334.4
Capital expenditures (Property, plant and equipment)	341.0	339.6	375.5	298.5
Depreciation (Property, plant and equipment)	252.7	291.4	309.8	329.6
<b>Return Indicators</b>				
Return on equity (ROE) (%)*4	4.8	1.1	(0.7)	(3.0)
Return on total assets (ROA) (%)*5	1.1	0.2	(0.1)	(0.6)
<b>Efficiency Indicators</b>				
Inventory turnover (Times)*6	5.15	5.27	5.30	6.27
Total assets turnover (Times)*7	0.95	0.90	0.86	0.97
Inventory turnover (Days)*8	70.82	69.21	66.85	58.25
<b>Cash Flows</b>				
Net cash provided by operating activities	142.1	272.8	264.9	435.9
Net cash used in investing activities	(280.4)	(300.2)	(280.1)	(293.2)
Net cash provided by (used in) financing activities	27.3	65.6	(94.3)	(158.7)
Effect of exchange rate changes on cash and cash equivalents	12.0	(2.6)	(8.7)	(16.6)
Net increase (decrease) in cash and cash equivalents	(99.0)	35.5	(118.2)	(32.5)
Cash and cash equivalents at end of year	580.4	615.9	497.8	465.2
<b>Liquidity Indicators</b>				
Debt/cash flow ratio (%)*9	17.13	14.64	13.68	15.23
Interest coverage ratio (Times)*10	4.2	1.9	1.0	2.8
<b>Corporate Value</b>				
Free cash flow*11	(138.3)	(27.4)	(15.1)	142.8
Market capitalization*12	2,201.8	1,738.3	2,604.2	3,367.1
<b>Other Data</b>				
Number of employees (Consolidated) (Thousands)	186	186	198	191
Number of employees (Non-Consolidated) (Thousands)	68	66	63	58
Ratios of Consolidated to Non-Consolidated Performance (Times) (Net sales)	1.4	1.5	1.6	1.6

\* ¥48.9 billion, ¥4.8 billion and ¥4.1 billion of "Subsidy received on return of substitutional portion of Employees' Pension Fund Plan, net of settlement loss of ¥188.1 billion in 2004, ¥8.0 billion in 2005, ¥5.0 billion in 2006" are classified as a reduction of selling, general and administrative expenses for the years ended March 31, 2004, 2005 and 2006, respectively.  
 • Operating income (loss) has been determined under financial reporting practices generally accepted in Japan and is defined as net sales less cost of sales and selling, general and administrative expenses.  
 • Beginning with the fiscal year ended March 31, 2001, Toshiba has adopted Statement of Financial Accounting Standards (SFAS) No. 115, "Accounting for Certain Investments in Debt and Equity Securities." Prior-period data for the fiscal years ended March 31, 1997

through 2000, has been restated to conform with SFAS No. 115.  
 • Beginning with the fiscal year ended March 31, 1998, revenues and expenses from financial services, real estate leasing and sales, and other operations are reported as operating activities, whereas they were reported as non-operating activities in prior periods. Prior-period data for the fiscal year ended March 31, 1997, has been reclassified to conform with the current classification.  
 • Beginning with the fiscal year ended March 31, 2006, equity in earnings (losses) of affiliates has been included in income (loss) before income taxes and minority interest, prior-period data for the fiscal years ended March 31, 1997 through 2005 has been reclassified to conform with the current classification.

	'01/3	'02/3	'03/3	'04/3	'05/3	'06/3	'07/3
	¥5,951.4	¥5,394.0	¥5,655.8	¥5,579.5	¥5,836.1	¥6,343.5	¥7,116.4
	4,323.5	4,070.1	4,146.5	4,075.3	4,296.6	4,659.8	5,312.2
	1,395.7	1,437.5	1,393.8	1,329.6	1,384.8	1,443.1	1,545.8
	232.1	(113.6)	115.5	174.6	154.8	240.6	258.4
	197.5	(374.2)	55.7	135.8	111.2	178.2	298.5
	96.1	(113.9)	48.5	102.2	55.9	90.1	145.4
	96.2	(254.0)	18.5	28.8	46.0	78.2	137.4
	578.4	(18.1)	340.8	405.4	374.3	457.0	623.3
	3.9	(2.1)	2.0	3.1	2.7	3.8	3.6
	1.6	(4.7)	0.3	0.5	0.8	1.2	1.9
	72.6	75.5	73.3	73.0	73.6	73.5	74.6
	23.5	26.6	24.6	24.7	23.7	22.7	21.7
	5,724.6	5,407.8	5,238.9	4,462.2	4,571.4	4,727.1	5,932.0
	1,047.9	705.3	571.1	755.0	815.5	1,002.2	1,108.3
	1,787.6	1,818.5	1,653.4	1,199.5	1,111.4	917.5	1,158.5
	990.3	888.7	882.0	701.9	683.4	611.4	956.2
	797.3	929.8	771.4	497.6	428.0	306.1	202.3
	18.3	13.0	10.9	16.9	17.8	21.2	18.7
	1.7	2.6	2.9	1.6	1.4	0.9	1.0
	327.9	326.2	331.5	336.7	348.0	372.4	394.0
	269.5	348.2	230.5	227.3	318.4	338.8	375.3
	308.3	311.2	237.9	223.9	215.8	228.6	259.9
	9.1	(29.0)	2.9	4.3	5.9	8.6	13.0
	1.7	(4.6)	0.3	0.6	1.0	1.7	2.6
	7.18	7.13	8.55	8.87	9.13	9.65	9.71
	1.03	0.97	1.06	1.15	1.29	1.36	1.34
	50.81	51.19	42.69	41.15	40.00	37.83	37.61
	453.6	149.2	271.6	322.7	305.5	501.4	561.5
	(176.7)	(325.6)	(148.0)	(189.5)	(243.1)	(303.4)	(712.8)
	(285.6)	53.5	(159.8)	(132.7)	(92.3)	(235.3)	154.8
	31.1	5.8	(7.2)	(8.3)	5.6	13.2	34.9
	22.4	(117.2)	(43.3)	(7.8)	(24.2)	(24.1)	38.4
	487.6	370.4	327.1	319.3	295.0	270.9	309.3
	23.22	4.01	16.09	19.47	24.87	32.77	41.46
	6.1	(3.3)	5.3	8.9	7.6	10.3	8.9
	276.9	(176.4)	123.6	133.2	62.4	198.0	(151.3)
	2,356.3	1,815.5	1,007.6	1,519.4	1,442.1	2,201.8	2,533.4
	188	176	166	161	165	172	191
	53	46	40	32	31	32	32
	1.6	1.7	1.7	1.9	2.1	1.9	2.0

\*1. EBITDA = Income (loss) before income taxes and minority interest + Interest + Depreciation

\*2. Shareholders' equity ratio (%) = Total shareholders' equity / Total assets × 100

\*3. Debt/equity ratio (Times) = Interest-bearing debt / Total shareholders' equity

\*4. Return on equity (ROE) (%) = Net income (loss) / Average total shareholders' equity × 100

\*5. Return on total assets (ROA) (%) = Net income (loss) / Average total assets × 100

\*6. Inventory turnover (Times) = Net sales / Average inventory

\*7. Total assets turnover (Times) = Net sales / Average total assets

\*8. Inventory turnover (Days) = 365 / Inventory turnover

\*9. Debt/cash flow ratio (%) = (Net income (loss) + Depreciation and amortization) / Average interest-bearing debt × 100

\*10. Interest coverage ratio (Times) = (Operating income (loss) + Interest and dividends) / Interest expense

\*11. Free cash flow = Net cash provided by operating activities - Net cash used in investing activities

\*12. Market capitalization = Common stock price [Year-end/Yen/Close] × Total issued shares

> CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	¥ 327,098	¥ 319,277	¥ 295,003	¥ 270,921	¥ 309,312
Notes and accounts receivable, trade					
Notes	107,920	101,624	95,207	101,208	106,395
Accounts	1,007,396	962,216	1,052,288	1,181,943	1,295,808
Allowance for doubtful notes and accounts	(25,776)	(27,682)	(26,599)	(28,671)	(30,599)
Finance receivables, net	166,190	17,271	0	0	0
Inventories	629,659	629,044	649,998	664,922	801,513
Deferred tax assets	143,087	114,425	131,144	146,655	138,714
Prepaid expenses and other current assets	265,642	236,244	277,278	309,638	370,064
	2,621,216	2,352,419	2,474,319	2,646,616	2,991,207
<b>Long-term Receivables and Investments:</b>					
Long-term receivables	27,153	21,808	19,090	18,883	19,329
Long-term finance receivables, net	260,361	29,887	0	0	0
Investments in and advances to affiliates	186,685	191,391	193,266	228,402	240,249
Marketable securities and other investments	209,374	197,901	194,191	240,456	250,536
	683,573	440,987	406,547	487,741	510,114
<b>Property, Plant and Equipment:</b>					
Land	174,701	165,255	169,464	161,503	156,445
Buildings	1,116,868	1,070,607	1,064,760	1,084,433	1,146,350
Machinery and equipment	2,670,750	2,311,773	2,349,258	2,402,752	2,594,284
Construction in progress	37,642	51,897	60,547	64,345	104,612
	3,999,961	3,599,532	3,644,029	3,713,033	4,001,691
Less—Accumulated depreciation	(2,800,676)	(2,481,287)	(2,479,846)	(2,536,483)	(2,681,489)
	1,199,285	1,118,245	1,164,183	1,176,550	1,320,202
<b>Other Assets:</b>					
Deferred tax assets	542,507	375,244	348,713	237,334	211,336
Other	192,355	175,305	177,650	178,872	899,103
	734,862	550,549	526,363	416,206	1,110,439
	¥5,238,936	¥4,462,200	¥4,571,412	¥4,727,113	¥5,931,962

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(Millions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current Liabilities:</b>					
Short-term borrowings	¥ 427,969	¥ 306,711	¥ 197,765	¥ 142,530	¥ 71,626
Current portion of long-term debt	343,373	190,821	230,285	163,558	130,703
Notes payable, trade	107,817	81,827	67,291	63,574	59,592
Accounts payable, trade	874,153	795,594	906,248	1,037,048	1,305,639
Accounts payable, other and accrued expenses	269,885	320,640	349,009	411,220	508,888
Accrued income and other taxes	49,934	37,029	46,561	48,725	77,625
Advance payments received	243,187	179,912	134,326	144,362	229,635
Other current liabilities	302,459	287,094	335,358	397,953	427,583
	2,618,777	2,199,628	2,266,843	2,408,970	2,811,291
<b>Long-Term Liabilities:</b>					
Long-term debt	882,026	701,924	683,396	611,430	956,156
Accrued pension and severance costs	950,997	601,566	581,598	474,198	540,216
Other liabilities	40,127	68,293	79,361	72,025	191,263
	1,873,150	1,371,783	1,344,355	1,157,653	1,687,635
<b>Minority Interest in Consolidated Subsidiaries</b>	175,945	135,799	144,707	158,325	324,715
<b>Shareholders' Equity:</b>					
Common stock	274,926	274,926	274,926	274,926	274,926
Additional paid-in capital	285,736	285,736	285,736	285,743	285,765
Retained earnings	462,058	481,227	511,185	570,080	681,795
Accumulated other comprehensive loss	(450,775)	(285,894)	(254,753)	(126,509)	(131,228)
Treasury stock, at cost	(881)	(1,005)	(1,587)	(2,075)	(2,937)
	571,064	754,990	815,507	1,002,165	1,108,321
Commitments and contingent liabilities					
	¥5,238,936	¥4,462,200	¥4,571,412	¥4,727,113	¥5,931,962

(Millions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>Accumulated Other Comprehensive Loss:</b>					
Unrealized gains on securities	¥ 15,636	¥ 26,825	¥ 33,479	¥ 57,246	¥ 80,801
Foreign currency translation adjustments	(59,589)	(79,290)	(68,849)	(32,019)	(21,938)
Minimum pension liability adjustment	(405,069)	(234,283)	(219,315)	(151,351)	—
Pension liability adjustment	—	—	—	—	(190,118)
Unrealized gains (losses) on derivative instruments	(1,753)	854	(68)	(385)	27

> CONSOLIDATED STATEMENTS OF OPERATIONS

(Millions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>Sales and Other Income:</b>					
Net sales	¥5,655,778	¥5,579,506	¥5,836,139	¥6,343,506	<b>¥7,116,350</b>
Subsidy received on return of substitutional portion of Employees' Pension Fund Plan, (net of settlement loss of ¥188,106 million in '04/3, ¥7,992 million in '05/3 and ¥5,045 million in '06/3)	—	48,945	4,836	4,085	—
Interest and dividends	13,381	10,470	10,564	13,485	<b>24,375</b>
Equity in earnings of affiliates	2,582	—	665	—	<b>27,878</b>
Other income	65,937	88,394	58,156	49,605	<b>155,270</b>
	<b>5,737,678</b>	<b>5,727,315</b>	<b>5,910,360</b>	<b>6,410,681</b>	<b>7,323,873</b>
<b>Costs and Expenses:</b>					
Cost of sales	4,146,460	4,075,336	4,296,572	4,659,795	<b>5,312,179</b>
Selling, general and administrative	1,393,776	1,378,529	1,389,596	1,447,186	<b>1,545,807</b>
Interest	24,257	20,832	21,749	24,601	<b>31,934</b>
Equity in losses of affiliates	—	9,271	—	4,452	—
Other expense	117,480	107,577	91,211	96,470	<b>135,493</b>
	<b>5,681,973</b>	<b>5,591,545</b>	<b>5,799,128</b>	<b>6,232,504</b>	<b>7,025,413</b>
<b>Income before Income Taxes and Minority Interest</b>					
	<b>55,705</b>	<b>135,770</b>	<b>111,232</b>	<b>178,177</b>	<b>298,460</b>
<b>Income Taxes:</b>					
Current	50,986	50,092	50,419	57,051	<b>88,911</b>
Deferred	(2,454)	52,145	5,525	33,091	<b>56,444</b>
Income before minority interest	7,173	33,533	55,288	88,035	<b>153,105</b>
Minority interest in income (loss) of consolidated subsidiaries	(11,330)	4,708	9,247	9,849	<b>15,676</b>
Net income	¥ 18,503	¥ 28,825	¥ 46,041	¥ 78,186	<b>¥ 137,429</b>

> QUARTERLY PERFORMANCE HIGHLIGHTS

(Millions of yen)

	1st quarter		2nd quarter		3rd quarter		4th quarter	
	'06/3	'07/3	'06/3	'07/3	'06/3	'07/3	'06/3	'07/3
Net sales	¥1,298,834	<b>¥1,452,796</b>	¥1,601,269	<b>¥1,709,230</b>	¥1,583,135	<b>¥1,793,271</b>	¥1,860,268	<b>¥2,161,053</b>
Operating income (loss)	(1,854)	<b>20,840</b>	53,221	<b>44,312</b>	63,653	<b>55,907</b>	125,590	<b>137,305</b>
Net income (loss)	(8,920)	<b>4,041</b>	23,567	<b>34,787</b>	21,853	<b>72,428</b>	41,686	<b>26,173</b>
Earnings per share (Basic) (¥)	(2.77)	<b>1.26</b>	7.33	<b>10.82</b>	6.80	<b>22.54</b>	12.97	<b>8.14</b>

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> CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>Cash Flows from Operating Activities:</b>					
Net income	¥ 18,503	¥ 28,825	¥ 46,041	¥ 78,186	¥137,429
Adjustments to reconcile net income to net cash provided by operating activities—					
Depreciation and amortization	260,835	248,831	241,362	254,217	292,875
Provisions for pension and severance costs, less payments	20,296	(8,001)	2,641	4,809	(22,720)
Deferred income tax provision (benefit)	(2,454)	52,145	5,525	33,091	56,444
Equity in (earnings) losses of affiliates, net of dividends	(2,582)	13,625	5,816	20,023	(12,579)
(Gain) loss from sales, disposal and impairment of property and securities, net	30,337	(2,471)	3,351	18,070	(79,416)
Minority interest in income (loss) of consolidated subsidiaries	(11,330)	4,708	9,247	9,849	15,676
Increase in notes and accounts receivable, trade	(28,803)	(10,841)	(63,750)	(86,420)	(51,620)
(Increase) decrease in finance receivables, net	55,235	66,564	(3,927)	0	0
(Increase) decrease in inventories	17,856	(35,852)	(10,107)	31,927	(82,926)
Increase (decrease) in notes and accounts payable, trade	6,392	(21,239)	82,427	90,482	220,619
Increase (decrease) in accrued income and other taxes	13,183	(12,493)	9,722	816	23,353
Increase (decrease) in advance payments received	(16,860)	(47,050)	(51,263)	(7,121)	29,459
Other	(89,005)	45,911	28,448	53,497	34,880
Net cash provided by operating activities	271,603	322,662	305,533	501,426	561,474
<b>Cash Flows from Investing Activities:</b>					
Proceeds from sale of property, plant and equipment	151,319	39,908	42,094	81,503	112,015
Proceeds from sale of securities	13,897	53,469	34,138	12,379	9,586
Acquisition of property, plant and equipment	(249,253)	(199,127)	(271,635)	(316,702)	(376,707)
Purchase of securities	(22,557)	(53,170)	(12,397)	(14,940)	(13,508)
(Increase) decrease in investments in affiliates	(12,409)	20,570	(7,051)	(20,872)	51,044
Increase in other assets and other	(28,985)	(51,116)	(28,255)	(44,753)	(495,212)*
Net cash used in investing activities	(147,988)	(189,466)	(243,106)	(303,385)	(712,782)
<b>Cash Flows from Financing Activities:</b>					
Proceeds from long-term debt	363,086	338,222	251,563	108,393	467,717
Repayment of long-term debt	(280,965)	(371,554)	(211,280)	(250,884)	(199,570)
Decrease in short-term borrowings, net	(238,600)	(63,389)	(105,416)	(60,638)	(81,305)
Dividends paid	(2,428)	(11,720)	(17,104)	(22,808)	(30,431)
Proceeds from stock offering by subsidiaries	525	14,366	—	—	—
Repurchase of subsidiary common stock	(604)	(1,182)	(634)	(86)	(829)
Redemption of subsidiary preferred stock	—	(35,000)	—	—	—
Purchase of treasury stock, net	(770)	(195)	(586)	(481)	(841)
Other	—	(2,281)	(8,867)	(8,794)	55
Net cash provided by (used in) financing activities	(159,756)	(132,733)	(92,324)	(235,298)	154,796
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	(7,193)	(8,284)	5,623	13,175	34,903
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(43,334)	(7,821)	(24,274)	(24,082)	38,391
<b>Cash and Cash Equivalents at Beginning of Year</b>	370,432	327,098	319,277	295,003	270,921
<b>Cash and Cash Equivalents at End of Year</b>	¥327,098	¥319,277	¥295,003	¥270,921	¥309,312
<b>Supplemental Disclosure of Cash Flow Information:</b>					
Cash paid during the year for—					
Interest	¥ 31,932	¥ 27,852	¥ 21,761	¥ 24,538	¥ 30,892
Income taxes	¥ 43,094	¥ 58,496	¥ 38,539	¥ 62,925	¥ 59,272

\*Includes the acquisition of Westinghouse Group in the amount of ¥461,338 million.

> INDUSTRY SEGMENT PERFORMANCE

(Billions of yen)

	'03/3	Change (%)	'04/3	Change (%)	'05/3	Change (%)	'06/3	Change (%)	'07/3	Change (%)
<b>Digital Products</b>										
Net sales	¥2,073.0	10.0	¥2,009.4	(3.1)	¥2,224.2	10.7	¥2,536.5	14.0	¥2,805.5	10.6
Share of net sales (%)	32.9	—	32.9	—	35.1	—	36.9	—	36.6	—
Operating income (loss)	24.8	—	(23.8)	—	7.3	—	20.9	187.1	15.8	(24.3)
Operating income ratio (%)	1.2	—	(1.2)	—	0.3	—	0.8	—	0.6	—
Number of employees	—	—	42,000	—	43,000	2.4	45,000	4.7	46,000	2.2
R&D expenditures	—	—	94.7	—	101.7	7.4	108.3	6.5	118.5	9.4
Depreciation	34.3	(16.7)	35.5	3.5	32.6	(8.3)	32.1	(1.5)	42.5	32.5
Capital expenditures	35.1	(36.3)	48.6	38.4	36.5	(24.9)	44.2	21.2	40.5	(8.3)
Total assets	905.0	2.2	872.6	(3.6)	966.1	10.7	1,092.1	13.0	1,242.6	13.8
<b>Electronic Devices</b>										
Net sales	1,274.4	22.0	1,283.6	0.7	1,307.2	1.8	1,388.1	6.2	1,657.3	19.4
Share of net sales (%)	20.2	—	21.0	—	20.7	—	20.2	—	21.6	—
Operating income	31.9	—	117.0	267.3	92.5	(20.9)	123.3	33.3	119.7	(2.9)
Operating income ratio (%)	2.5	—	9.1	—	7.1	—	8.9	—	7.2	—
Number of employees	—	—	35,000	—	33,000	(5.7)	33,000	0.0	35,000	6.1
R&D expenditures	—	—	156.9	—	164.5	4.9	174.5	6.1	174.2	(0.2)
Depreciation	125.8	(22.4)	112.5	(10.6)	132.7	18.0	148.0	11.6	169.1	14.3
Capital expenditures	115.7	(44.7)	136.2	17.7	239.3	75.8	239.5	0.0	269.7	12.6
Total assets	1,232.4	(5.4)	1,241.5	0.7	1,271.0	2.4	1,323.7	4.1	1,449.8	9.5
<b>Social Infrastructure</b>										
Net sales	1,822.6	(5.6)	1,714.1	(6.0)	1,765.3	3.0	1,882.3	6.6	2,067.7	9.9
Share of net sales (%)	29.0	—	28.0	—	27.9	—	27.4	—	27.0	—
Operating income	39.2	(4.7)	58.6	49.7	48.6	(17.1)	76.5	57.6	96.8	26.4
Operating income ratio (%)	2.1	—	3.4	—	2.8	—	4.1	—	4.7	—
Number of employees	—	—	36,000	—	54,000	50.0	57,000	5.6	67,000	17.5
R&D expenditures	—	—	62.2	—	61.7	(0.8)	70.9	14.9	82.2	16.0
Depreciation	42.8	(32.4)	37.7	(11.9)	34.6	(8.1)	35.0	1.1	41.8	19.4
Capital expenditures	34.6	(22.8)	27.6	(20.1)	36.6	32.4	44.1	20.4	58.8	33.4
Total assets	1,671.4	(9.8)	1,529.2	(8.5)	1,493.2	(2.4)	1,578.0	5.7	2,385.3	51.2
<b>Home Appliances</b>										
Net sales	633.6	(3.4)	637.3	0.6	661.0	3.7	687.5	4.0	748.9	8.9
Share of net sales (%)	10.1	—	10.4	—	10.4	—	10.0	—	9.8	—
Operating income (loss)	4.1	(59.3)	3.5	(16.0)	(3.3)	—	2.7	—	9.7	257.0
Operating income ratio (%)	0.7	—	0.5	—	(0.5)	—	0.4	—	1.3	—
Number of employees	—	—	18,000	—	22,000	22.2	25,000	13.6	27,000	8.0
R&D expenditures	—	—	18.4	—	19.0	3.0	17.7	(6.5)	18.7	5.5
Depreciation	18.7	1.7	18.8	0.3	18.0	(3.9)	16.6	(7.8)	18.3	9.9
Capital expenditures	21.3	(3.6)	19.3	(9.1)	22.0	13.9	27.4	24.5	24.7	(9.8)
Total assets	385.1	(5.2)	371.9	(3.4)	390.2	4.9	400.8	2.7	438.8	9.5
<b>Others</b>										
Net sales	491.1	1.3	472.7	(3.7)	371.6	(21.4)	379.8	2.2	391.6	3.1
Share of net sales (%)	7.8	—	7.7	—	5.9	—	5.5	—	5.1	—
Operating income	15.5	36.7	18.8	21.3	9.8	(47.7)	18.0	82.1	18.7	4.2
Operating income ratio (%)	3.2	—	4.0	—	2.7	—	4.7	—	4.8	—
Number of employees	—	—	30,000	—	13,000	(56.7)	12,000	(7.7)	16,000	33.3
R&D expenditures	—	—	4.5	—	1.1	(75.0)	1.0	(12.2)	0.4	(66.1)
Depreciation	39.3	(5.1)	44.4	13.0	23.5	(47.1)	22.5	(4.3)	21.2	(5.8)
Capital expenditures	50.2	5.0	23.0	(54.2)	8.1	(64.9)	7.7	(4.2)	16.1	108.5
Total assets	1,080.7	10.4	479.4	(55.6)	515.4	7.5	442.4	(14.2)	479.2	8.3

Note: The figures for '03/3 have been reclassified to conform with the current classification.



> GEOGRAPHIC SEGMENT PERFORMANCE

(Billions of yen)

	'03/3	'04/3	'05/3	'06/3	'07/3
<b>Net Sales</b>					
Japan	¥4,943.1	¥4,935.9	¥5,015.3	¥5,464.4	¥5,993.1
Overseas	2,439.6	2,437.2	2,783.6	3,147.9	3,680.0
Asia	1,085.3	1,186.2	1,355.2	1,521.4	1,724.1
North America	804.7	686.9	765.3	888.5	1,028.4
Europe	491.8	504.4	596.9	658.7	830.2
Other	57.8	59.7	66.2	79.3	97.3
Eliminations	(1,726.9)	(1,793.6)	(1,962.8)	(2,268.8)	(2,556.7)
Consolidated	5,655.8	5,579.5	5,836.1	6,343.5	7,116.4
<b>Operating Income (Loss)</b>					
Japan	89.8	148.7	112.8	191.9	204.1
Overseas	32.7	24.6	42.1	48.4	44.4
Asia	24.5	13.4	20.5	22.1	26.1
North America	11.7	6.6	15.6	18.1	7.8
Europe	(3.2)	3.9	5.1	6.1	7.2
Other	(0.3)	0.7	0.9	2.1	3.3
Eliminations	(7.0)	1.3	(0.1)	0.3	9.9
Consolidated	115.5	174.6	154.8	240.6	258.4

> LONG-TERM DEBT

(Millions of yen)

	'06/3 Amount	'07/3 Amount
Loans, principally from banks and insurance companies, due 2006 to 2029 with weighted-average interest rate of 0.91% at March 31, 2006 and due 2007 to 2029 with weighted-average interest rate of 1.18% at March 31, 2007	Secured ¥ 5,383 Unsecured ¥285,019	Secured ¥ 5,102 Unsecured ¥525,815
Unsecured yen bonds, due 2006 to 2008 with interest ranging from 0.40% to 3.025% at March 31, 2006 and due 2007 to 2016 with interest ranging from 1.08% to 3.025% at March 31, 2007	245,522	290,934
Zero Coupon Convertible Bonds with stock acquisition rights: Due 2009 convertible currently at ¥587 per share Due 2011 convertible currently at ¥542 per share	50,000 100,000	50,000 100,000
Euro yen medium-term notes, due 2007 to 2008 with interest ranging from 0.56% to 2.34% at March 31, 2006 and due 2007 to 2008 with interest ranging from 0.78% to 2.34% at March 31, 2007	3,000	3,000
Euro yen medium-term notes of subsidiaries, due 2006 to 2015 with interest ranging from 0.07% to 2.71% at March 31, 2006 and due 2007 to 2015 with interest ranging from 0.61% to 2.60% at March 31, 2007	52,178	69,301
Capital lease obligations	33,886	42,707
	774,988	1,086,859
Less—Portion due within one year	(163,558)	(130,703)
	¥611,430	¥956,156

The aggregate annual maturities of long-term debt, excluding those of capital lease obligations, are as follows:

(Millions of yen)

	As of March 31, 2006	As of March 31, 2007
'07/3	¥150,197	¥ —
'08/3	89,818	116,290
'09/3	115,588	220,692
'10/3	174,536	228,506
'11/3	72,558	174,608
'12/3 and thereafter	138,405	—
'12/3	—	119,558
'13/3 and thereafter	—	184,498
Total	¥741,102	¥1,044,152

For more information on corporate bond and ratings, please refer to the following URL:  
<http://www.toshiba.co.jp/about/ir/en/stock/bond.htm>

### Common Stock Price Trends

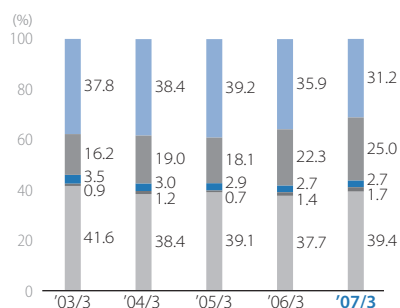
	'97/3	'98/3	'99/3	'00/3
Common stock price (¥, fiscal year)				
High	838	787	853	1,070
Low	657	500	430	632
Nikkei average (¥)	18,003.40	16,527.17	15,836.59	20,337.32
Number of shares issued (Millions of shares)	3,219	3,219	3,219	3,219
Market capitalization (¥ Billion)	2,201.8	1,738.3	2,604.2	3,367.1
Earnings per share—Basic (EPS) (¥)	20.84	4.57	(2.83)	(10.22)
Earnings per share—Diluted (EPS) (¥)	20.06	4.57	(2.83)	(10.22)
Annual Dividends per share (¥)	10	10	6	3
Payout ratio (%) (Consolidated)	48.0	218.8	—	—
Number of shareholders	443,367	433,240	404,283	380,744
Price-to-earnings ratio (PER) (Times)	32.8	118.1	—	—
Price-to-cash flows ratio (PCFR) (Times)	6.8	5.6	8.6	10.7
Price-to-book value ratio (PBR) (Times)	1.6	1.4	2.3	3.2

Note: Common stock price is based on Tokyo Stock Exchange, Inc.'s market quotation.

### Distribution of Shareholders

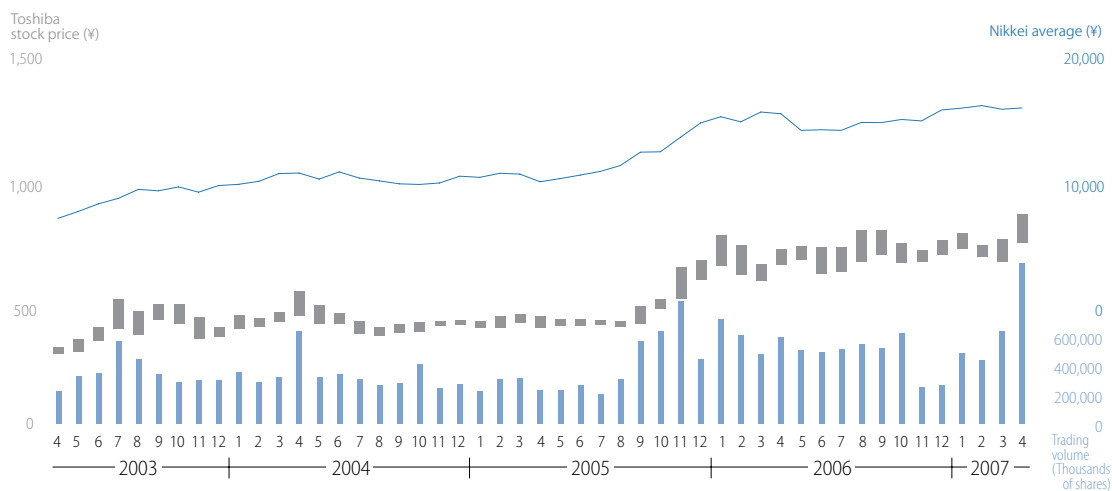
(Percentage of total voting rights) (As of March 31)

	'03/3	'04/3	'05/3	'06/3	'07/3
■ Individuals and others in Japan	37.8%	38.4%	39.2%	35.9%	31.2%
■ Overseas investors	16.2	19.0	18.1	22.3	25.0
■ Companies in Japan	3.5	3.0	2.9	2.7	2.7
■ Securities companies in Japan	0.9	1.2	0.7	1.4	1.7
■ Financial institutions in Japan	41.6	38.4	39.1	37.7	39.4



### Stock Price Chart

Tokyo Stock Exchange



(As of March 31)

'01/3	'02/3	'03/3	'04/3	'05/3	'06/3	'07/3
1,280	842	611	541	576	815	842
616	384	292	303	379	416	652
12,999.70	11,024.94	7,972.71	11,715.39	11,668.95	17,059.66	17,287.65
3,219	3,219	3,219	3,219	3,219	3,219	3,219
2,356.3	1,815.5	1,007.6	1,519.4	1,442.1	2,201.8	2,533.4
29.88	(78.91)	5.75	8.96	14.32	24.32	42.76
29.71	(78.91)	5.75	8.96	13.52	22.44	39.45
10	0	3	3	5	6.5	11
33.5	—	52.2	33.5	34.9	26.7	25.7
438,469	475,649	486,702	483,591	479,808	454,849	411,723
24.5	—	54.4	52.7	31.3	28.13	18.41
5.4	25.1	3.6	5.4	5.0	6.6	5.9
2.3	2.6	1.8	2.0	1.8	2.2	2.3

## Major Shareholders

(As of March 31, 2007)

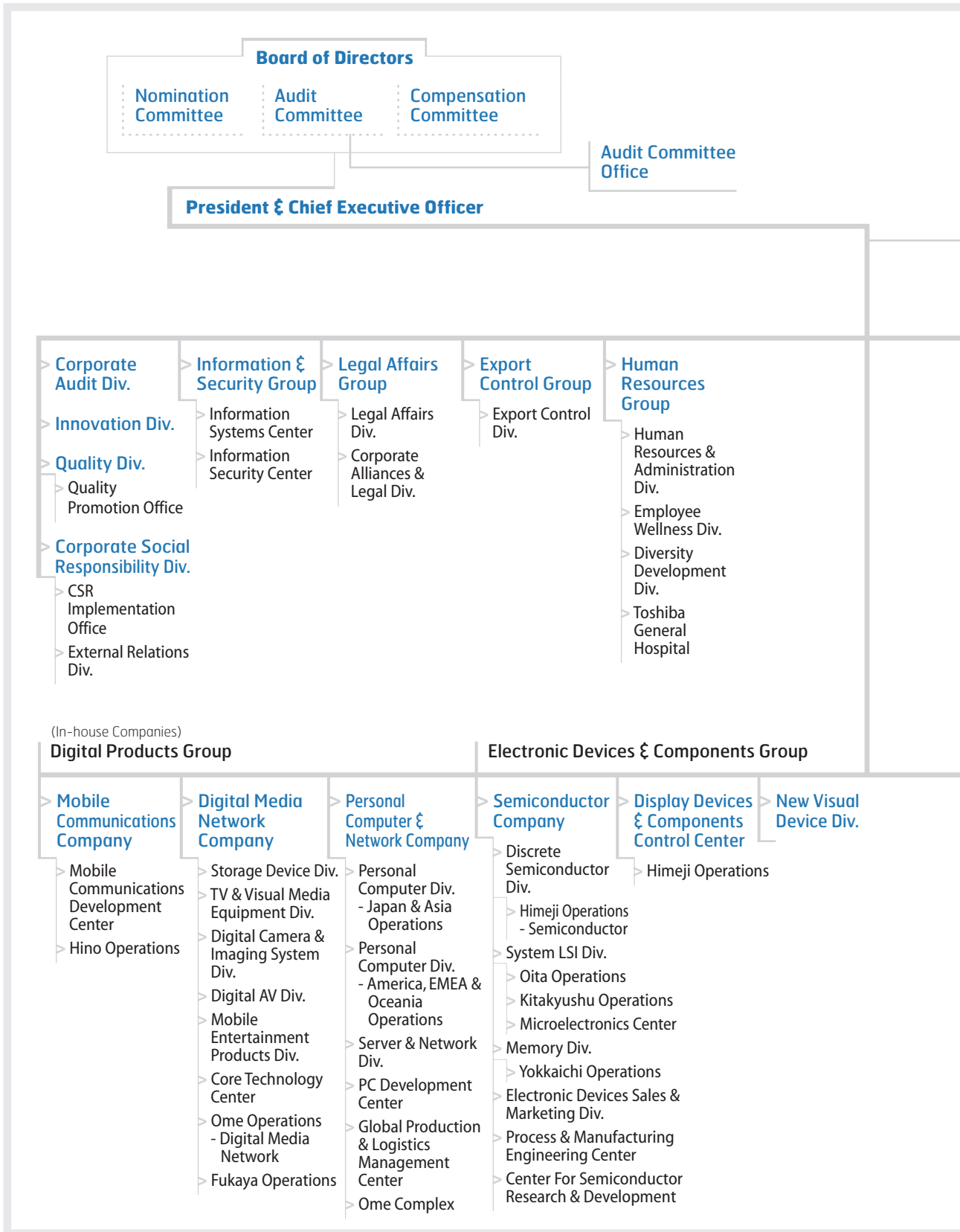
	Percentage of total voting rights
The Master Trust Bank of Japan, Limited (trust accounts)	6.8%
Japan Trustee Service Bank, Limited (trust accounts)	4.1
The Chase Manhattan Bank, N.A. London	3.7
The Dai-ichi Mutual Life Insurance Company	3.6
Nippon Life Insurance Company	3.4
Japan Trustee Service Bank, Limited (trust accounts 4)	2.6
Toshiba Employees Stocks Ownership Plan	1.6
Sumitomo Mitsui Banking Corporation	1.6
NIPPONKOA Insurance Company, Limited	1.5
Mizuho Corporate Bank, Limited	1.4

## Rank of Japanese Companies in the Electrical Equipment Sector

(As of April 30, 2007)

Rank in the Electrical Equipment Sector	Rank among the Companies Listed in Tokyo Stock Exchange	Company Name	Market Capitalization (¥ Billion)
1	4	Canon Inc.	9,000.7
2	9	Sony Corporation	6,438.6
3	11	Matsushita Electric Industrial Co., Ltd.	5,703.3
4	29	Hitachi, Ltd.	3,078.4
5	36	<b>Toshiba Corporation</b>	<b>2,887.4</b>
6	38	FANUC LTD.	2,821.4
7	44	Mitsubishi Electric Corporation	2,505.7
8	46	Sharp Corporation	2,454.6
9	49	Kyocera Corporation	2,232.5
10	51	Murata Manufacturing Co., Ltd.	2,016.1
11	54	Ricoh Company, Ltd.	1,966.5
12	73	Fujitsu Limited	1,564.9

Source: Tokyo Stock Exchange



➤ **Strategic Planning & Communications Group**

- Corporate Representatives  
— America, Europe, Asia, China

- Corporate Strategic Planning Div.
- Regional Business Strategy Div.
- Corporate Communications Office

➤ **Finance & Accounting Group**

- Finance & Accounting Div.
- Internal Control Promotion Div.

➤ **Productivity Procurement & Environment Group**

- Corporate Productivity Planning Div.
- Corporate Procurement Div.
- Corporate Environment Management Div.
- Corporate Manufacturing Engineering Center
- Yokohama Complex

➤ **Technology & Intellectual Property Group**

- Technology Planning Div.
- Intellectual Property Div.
- Corporate Research & Development Center
- Corporate Software Engineering Center

➤ **Marketing Group**

- Marketing Planning Div.
- Customer Satisfaction Center
- Corporate Sales & Marketing Div.
- Global Marketing Div.
- Advertising Div.
- Design Center

- [Branch Offices]
- Kansai Branch Office
- Chubu Branch Office
- Kyushu Branch Office
- Chugoku Branch Office
- Hokuriku Branch Office
- Tohoku Branch Office
- Hokkaido Branch Office
- Shikoku Branch Office
- Shutoken Branch Office
- South-Shutoken Branch Office

➤ **Automotive Systems Div.**

➤ **Network Services Div.**

**Infrastructure Systems Group**

➤ **Power Systems Company**

- Nuclear Energy Systems & Services Div.
- Isogo Nuclear Engineering Center
- WEC Coordination Div.
- Thermal & Hydro Power Systems & Services Div.
- Thermal Power Plant Div.
- Transmission & Distribution Systems Div.
- Power and Industrial Systems Research and Development Center
- Keihin Product Operations
- Hamakawasaki Operations

➤ **Industrial Systems Company**

- Industrial Systems Div.
- Transportation Systems Div.
- Security & Automation Systems Div.
- Fuchu Complex
- Komukai Operations - Security & Automation Systems
- Mie Operations

➤ **Social Infrastructure Systems Company**

- Infrastructure Systems Div.
- Environmental Systems Div.
- Broadcasting & Network Systems Div.
- Defense & Electronic Systems Div.
- Komukai Operations

(As of June 25, 2007)

## Overseas Offices

### EUROPE

*Moscow*

### AFRICA

*Johannesburg*

### MIDDLE EAST

*Baghdad*

*Abu Dhabi*

## Overseas Subsidiaries & Affiliates

### NORTH AMERICA

#### *Canada*

- Toshiba of Canada, Ltd.
- Toshiba TEC Canada Inc.

#### *U.S.A.*

- Toshiba America, Inc.
- Toshiba America Capital Corporation
- Toshiba America Research, Inc.
- Toshiba America Information Systems, Inc.
- Toshiba America Consumer Products, Inc.
- Toshiba International Corporation
- ReGENco L.L.C.
- ST Inverter America, Inc.
- Toshiba America Electronic Components, Inc.
- Toshiba America Medical Systems, Inc.
- Toshiba Nuclear Energy Holdings (US) Inc.
- Westinghouse Electric Company LLC
- Toshiba TEC America Retail Information Systems, Inc.
- Toshiba America Business Solutions, Inc.
- Harison Toshiba Lighting (U.S.A.), Inc.

### LATIN AMERICA

#### *Mexico*

- Toshiba de Mexico, S.A.de C.V.
- Toshiba Electromex, S.A. de C.V.
- GE Toshiba Turbine Components de Mexico S.R.L de C.V.

#### *Venezuela*

- Toshiba de Venezuela C.A.

#### *Brazil*

- Semp Toshiba Amazonas S.A.
- T and S Servicios Industrias Ltda.
- Toshiba Electronics do Brasil Ltda.
- Toshiba do Brasil, S.A.
- Toshiba Medical do Brasil Ltda.

### EUROPE

#### *UK*

- Toshiba of Europe Ltd.
- Toshiba International Finance (UK) Plc.
- Toshiba Research Europe Limited
- Toshiba Information Systems (UK) Ltd.
- Toshiba International (Europe) Ltd.
- Toshiba TEC U.K. Imaging Systems Ltd.
- Toshiba Carrier UK Ltd.
- Toshiba Medical Systems Ltd.

#### *Sweden*

- Toshiba TEC Nordic AB

#### *The Netherlands*

- Toshiba International Finance (Netherlands) B.V.
- Toshiba TEC Netherlands Retail Information Systems B.V.
- Toshiba Medical Systems Europe B.V.

#### *Belgium*

- Toshiba TEC Europe Retail Information Systems S.A.
- Toshiba Medical Systems NV/SA

#### *Germany*

- Toshiba Europe GmbH
- Toshiba Electronics Europe GmbH
- Toshiba TEC Germany Imaging Systems GmbH
- Toshiba Medical Systems GmbH

#### *France*

- Toshiba Systemes (France) S.A.
- Schneider Toshiba Inverter S.A.S.
- Schneider Toshiba Inverter Europe S.A.S.
- Toshiba TEC France Imaging Systems S.A.
- Toshiba BEC Europe Imaging Systems S.A.
- Toshiba Lighting Products (France) S.A.
- Toshiba Medical France S.A.

#### *Austria*

- Sti Elin Inverter GmbH
- Toshiba Medical Systems Gesellschaft m.b.H.

#### *Switzerland*

- Toshiba TEC Switzerland AG
- Toshiba Medical Systems AG (Switzerland)

#### *Poland*

- Toshiba Television Central Europe Sp. z o.o.
- Toshiba TEC Poland S.A.
- TEC Polska Sp. z o. o.

#### *Italy*

- Toshiba TEC Italia Imaging Systems S.P.A.
- TEC Italia, S. r. l.
- Toshiba Medical Systems S.R.L.

#### *Spain*

- Toshiba Medical Systems S.A.

#### *Russia*

- LLC Toshiba Digital Media Network CIS
- Toshiba RUS LLC
- Zao Toshiba Medical Systems

### MIDDLE EAST

#### *U.A.E.*

- Toshiba Gulf FZE
- Toshiba El Araby Home Appliances Marketing Company

### ASIA

#### *The People's Republic of China*

- Toshiba China Co., Ltd.
- Toshiba Dalian Co., Ltd.
- Toshiba Hangzhou Co., Ltd.
- Hangzhi Machinery & Electronics Co., Ltd.
- Dalian Toshiba Television Co., Ltd.
- Toshiba Storage Device (Shanghai) Co., Ltd.
- Toshiba Visual Imaging Systems (Shenzhen) Ltd.
- Toshiba Information Equipment (Hangzhou) Co., Ltd.
- Toshiba Personal Computer & Network (Shanghai) Co., Ltd.
- Ningbo Toshiba Huatong Switchgear Co., Ltd.
- Guangzhou Toshiba Baiyun Electrical Equipment Co., Ltd.
- Dalian Toshiba Locomotive Electric Equipment Co., Ltd.
- Toshiba Baiyun Vacuum Interrupters (Jinzhou) Co., Ltd.
- Changzhou Toshiba Transformer Co., Ltd.
- Henan Pinggao Toshiba High-Voltage Switchgear Co., Ltd.
- Zhuhai Xujizhi Power System Automation Co., Ltd.

- Langfang EPRI Toshiba Arrester Co., Ltd.
- Toshiba Hydro Power (Hangzhou) Co., Ltd.
- Guangzhou Toshiba Baiyun Control System Engineering Co., Ltd.
- Dalian Toshiba Broadcasting Systems Co., Ltd.
- Toshiba Electronics Management (China) Co., Ltd.
- Toshiba Electronics (Shanghai) Co., Ltd.
- Toshiba Electronics (Shenzhen) Co., Ltd.
- Toshiba Semiconductor (Wuxi) Co., Ltd.
- Tsurong Xiamen Xiangyu Trading Co., Ltd.
- Toshiba Electronics (Dalian) Co., Ltd.
- Toshiba TEC Information Systems (Shenzhen) Co., Ltd.
- Toshiba TEC Home Electric Appliances (Shenzhen) Co., Ltd.
- Toshiba Elevator Shenyang Co., Ltd.
- Toshiba Elevator Shanghai Co., Ltd.
- Kone Telc Industries Co., Ltd.
- Toshiba Medical Systems (China) Co., Ltd.
- Toshiba Products & Service (Shanghai) Co., Ltd.
- Toshiba Refrigerator (Xi'an) Co., Ltd.
- Toshiba Washing Machine (Wuxi) Co., Ltd.
- Toshiba HA Manufacturing (Nanhai) Co., Ltd.
- Toshiba HA Sales (Nanhai) Co., Ltd.
- Hangzhou Toshiba Home Technology Electronics Co., Ltd.
- Fuzhou TLT Lighting Co., Ltd.
- Harison Toshiba Lighting (Kunshan) Co., Ltd.
- Toshiba Lighting & Display Systems (Shanghai) Co., Ltd.
- Toshiba Lighting (Beijing) Co., Ltd.
- Wako Electric (Far East) Co., Ltd.
- Shenzhen Shenzhi Precision Parts Co., Ltd.
- Toshiba Consumer & Lighting Products Trading (Shanghai) Co., Ltd.
- Guangdong Meizhi Compressor Ltd.
- Guangdong Meizhi Precision Manufacturing Co., Ltd.
- Guangdong Midea Air-Conditioning Equipment Co., Ltd.
- Guangdong Midea Commercial Air-Conditioning Equipment Co., Ltd.
- Guangdong Midea Group Wuhu Air-Conditioning Equipment Co., Ltd.
- Guangdong Midea Group Wuhan Air-Conditioning Equipment Co., Ltd.
- T.G.BATTERY Co., (China) Ltd.

#### *Korea*

- Toshiba Electronics Korea Corporation
- Toshiba Electronics Software Solutions Korea Corporation
- Toshiba Digital Media Network Korea Corporation
- Toshiba TEC Korea Co., Ltd.
- Harison Engineering (Korea) Co., Ltd.
- Kumho HT Autonix Corporation
- Toshiba Elevator Korea, Inc.

#### *Taiwan*

- Taiwan Toshiba International Procurement Corporation
- Toshiba Information, Industrial and Power Systems Taiwan Corporation
- Toshiba Digital Media Network Taiwan Corporation
- Toshiba Memory Semiconductor Taiwan Corporation
- Toshiba Electronics Taiwan Corporation
- Harison Toshiba Lighting Taiwan Co., Ltd.

## Hong Kong SAR

- Toshiba Hong Kong Ltd.
- Toshiba Electronics Asia, Ltd.
- Toshiba International Procurement Hong Kong Ltd.
- Toshiba TEC (H.K) Logistics & Procurement Ltd.
- Toshiba Lighting Hong Kong Ltd.
- T.G.BATTERY Co., (Hong Kong) Ltd.

## Philippines

- Toshiba Information Equipment (Philippines), Inc.
- Toshiba Electronics Philippines, Inc.

## Vietnam

- Toshiba Vietnam Consumer Products Co., Ltd.
- Toshiba Vietnam Home Appliances Co., Ltd.

## Thailand

- Toshiba Thailand Co., Ltd.
- Toshiba Semiconductor (Thailand) Co., Ltd.
- Toshiba Electronics Service (Thailand) Co., Ltd.
- Toshiba Carrier (Thailand) Co., Ltd.
- Thai Toshiba Fluorescent Lamp Co., Ltd.
- Thai Toshiba Lighting Co., Ltd.
- Toshiba Lighting Components (Thailand) Ltd.
- Thai Toshiba Electric Industries Co., Ltd.
- Toshiba Consumer Products (Thailand) Co., Ltd.
- Control Component Co., Ltd.

## Malaysia

- Toshiba Sales & Services Sdn. Bhd.
- Toshiba Electronics Malaysia Sdn. Bhd.
- Toshiba Electronics Trading (Malaysia) Sdn. Bhd.
- TOS Energy Malaysia Sdn. Bhd.
- TIM Electronics Sdn. Bhd.
- M S Elevators Engineering Sdn. Bhd.
- M S Elevators Sdn. Bhd.

## Singapore

- Toshiba Capital (Asia) Ltd.
- Toshiba Asia Pacific Pte., Ltd.
- Toshiba Data Dynamics Pte., Ltd.
- Toshiba Singapore Pte., Ltd.
- Toshiba Electronics Asia (Singapore) Pte. Ltd.
- Toshiba TEC Singapore Pte. Ltd.
- Toshiba Medical Systems Asia Pte., Ltd.
- Toshiba Consumer Marketing (Singapore) Pte., Ltd.
- AFPD Pte., Ltd.

## Indonesia

- P.T. Nusantara Energy Solution
- P.T. Toshiba Consumer Products Indonesia
- PT. Toshiba Visual Media Network Indonesia
- P.T. TEC Indonesia

## India

- Toshiba India Private Ltd.
- Toshiba Embedded Software India Private Ltd.

## OCEANIA

### Australia

- Toshiba International Corporation Pty., Ltd.
- Toshiba (Australia) Pty., Ltd.
- Toshiba TEC Australia Pty., Ltd.

(As of April 1, 2007)

## Consolidated Subsidiaries

### DOMESTIC

- A&T Battery Corporation
- Device Link, Inc.
- Harison Toshiba Lighting Corporation
- Iwate Toshiba Electronics Co., Ltd.
- Joint Fuel Co., Ltd.
- Kaga Toshiba Electronics Corporation
- Mobile Broadcasting Corporation
- Toshiba Building Co., Ltd.
- Toshiba Capital Corporation
- Toshiba Carrier Airconditioning Systems Corporation
- Toshiba Carrier Corporation
- Toshiba Consumer Marketing Corporation
- Toshiba Denzai Marketing Co., Ltd.
- Toshiba Device Corporation
- Toshiba Elevator and Building Systems Corporation
- Toshiba HA Products Co., Ltd.
- Toshiba Home Technology Corporation
- Toshiba Industrial Products Sales Corporation
- Toshiba Information Equipments Co., Ltd.
- Toshiba Information Systems (Japan) Corporation
- Toshiba Lighting & Technology Corporation
- Toshiba Logistics Corporation
- Toshiba LSI Package Solutions Corporation
- Toshiba Matsushita Display Technology Co., Ltd.
- Toshiba Medical Systems Corporation
- Toshiba Plant Systems & Services Corporation\*
- Toshiba Solutions Corporation
- Toshiba TEC Corporation\*
- 257 companies in total including the above 28.
- \*Listed Company in Stock Market

### OVERSEAS

- AFPD Pte., Ltd.
- Dalian Toshiba Television Co., Ltd.
- Harison Engineering (Korea) Co., Ltd.
- Harison Toshiba Lighting (Kunshan) Co., Ltd.
- Northern Virginia Semiconductor L.L.C.
- Taiwan Toshiba International Procurement Corporation
- TEC Singapore Electronics Pte., Ltd.
- Toshiba (China) Co., Ltd.
- Toshiba America Business Solutions, Inc.
- Toshiba America Capital Corporation
- Toshiba America Consumer Products, Inc.
- Toshiba America Electronic Components, Inc.
- Toshiba America Information Systems, Inc.
- Toshiba America Medical Systems, Inc.
- Toshiba America MRI, Inc.
- Toshiba America, Inc.
- Toshiba Capital (Asia) Ltd.
- Toshiba Compressor (Taiwan) Corporation
- Toshiba Consumer Products (Thailand) Co., Ltd.
- Toshiba Dalian Co., Ltd.
- Toshiba Digital Media Network Taiwan Corp.
- Toshiba do Brasil S.A.
- Toshiba Electronics Asia, Ltd.
- Toshiba Electronics Europe GmbH
- Toshiba Electronics Malaysia Sdn. Bhd.
- Toshiba Electronics (Shanghai) Co., Ltd.
- Toshiba Europe GmbH
- Toshiba HA Manufacturing (Nanhai) Co., Ltd.
- Toshiba Hydro Power (Hangzhou) Co., Ltd.

- Toshiba Information Equipment (Hangzhou) Co., Ltd.
- Toshiba Information Equipment (Philippines), Inc.
- Toshiba Information Systems (UK) Ltd.
- Toshiba Information, Industrial and Power Systems Taiwan Corp.
- Toshiba International Corporation
- Toshiba International Finance (Netherlands) B.V.
- Toshiba International Finance (UK) PLC
- Toshiba International Procurement Hong Kong, Ltd.
- Toshiba Medical Systems Europe B.V.
- Toshiba Nuclear Energy Holdings (UK) Ltd.
- Toshiba Nuclear Energy Holdings (US) Inc.
- Toshiba of Canada, Ltd.
- Toshiba Samsung Storage Technology Korea Corporation
- Toshiba Semiconductor (WUXI) Co., Ltd.
- Toshiba Systemes (France) S.A.
- Toshiba TEC Europe Imaging Systems S.A.
- Toshiba TEC France Imaging Systems S.A.
- Toshiba TEC U.K. Imaging Systems Ltd.
- Westinghouse Electric Company LLC
- 262 companies in total including the above 48.

## Affiliated Companies Accounted for by the Equity Method

### DOMESTIC

- Flash Partners, Ltd.
- IPS Alpha · Technology, Ltd.
- NEC Toshiba Space Systems, Ltd.
- Nishishiba Electric Co., Ltd.\*
- Shibaura Mechatronics Corporation\*
- Topcon Corporation\*
- Toshiba Finance Corporation
- Toshiba Housing Loan Service Corporation
- Toshiba Machine Co., Ltd.\*
- Toshiba Medical Finance Co., Ltd.
- Toshiba Mitsubishi-Electric Industrial Systems Corporation
- 70 companies in total including the above 11.
- \*Listed Company in Stock Market

### OVERSEAS

- Guangdong Midea Air-Conditioning Equipment Co., Ltd.
- Guangdong Midea Group Wuhu Air-Conditioning Equipment Co., Ltd.
- GE Toshiba Turbine Components de Mexico S.R.L. de C.V.
- Guangdong Meizhi Compressor Ltd.
- Guangdong Meizhi Motor Ltd.
- Schneider Toshiba Inverter S.A.S.
- Semp Toshiba Amazonas S.A.
- TM GE Automation Systems L.L.C.
- Toshiba Carrier (Thailand) Co., Ltd.
- Toshiba Carrier UK Ltd.
- 83 companies in total including the above 10.

(As of March 31, 2007)

Governance structure

Significant events

Introduced corporate executive officer system.

Introduced in-house company system.

Adopted the "Company with Committees" system and introduced Corporate Social Responsibility Division.

- 1875** Hisashige Tanaka opened a telegraph equipment factory (later Shibaura Engineering Works Co., Ltd.) in Shinbashi, Tokyo.
- 1890** Ichisuke Fujioka and Shoichi Miyoshi established Hakunetsusha & Co., Ltd. (later Tokyo Electric Company), in Kyobashi, Tokyo.
- 1939** Tokyo Electric Company merged with Shibaura Engineering Works Co., Ltd. and established Tokyo Shibaura Electric Co., Ltd.
- 1978** Released the first Japanese word processor.
- 1984** Changed name to Toshiba Corporation.
- 1985** Developed 1Mb DRAM.  
Introduced the world's first laptop PCs.
- 1991** Developed 4Mb NAND Flash EEPROM.
- 1995** Developed the DVD high-density optical disc.
- 1998**
- 1999**
- 2000** Released SD Card and 1.8-inch HDD.
- 2001** Released "01 Action Plan."  
Commercialized the world's first HDD/DVD video recorder.  
Commenced joint development of Cell, the next-generation processor, with Sony Computer Entertainment Inc. and IBM Corporation.
- 2002** Withdrew from commodity DRAM business.  
Formed a joint venture with Matsushita Electric Industrial Co., Ltd. for LCDs.
- 2003** Home Appliance, IT-Solution and Medical System businesses transferred and integrated with subsidiaries.
- 2004** Joined the United Nations' Global Compact.  
Developed the world's smallest direct methanol fuel cell (DMFC).  
Released a 64 multi-slice CT system.
- 2005** Developed 8Gb NAND Flash memory.
- 2006** Westinghouse Group joined the Toshiba Group (acquired shares of Westinghouse from British Nuclear Fuels (BNFL)).  
Developed 16Gb NAND Flash memory.  
Released the world's first HD DVD players and hard disc recorder mounted with HD DVD.  
Released the world's first AV notebook compatible with both terrestrial digital broadcasting and HD DVD.  
Achieved cumulative sales of 50 million notebook PCs.  
Achieved cumulative output of 40 million 1.8-inch HDDs.



## Toshiba Corporation

As of March 31, 2007

**Headquarters:** ..... 1-1, Shibaura 1-chome, Minato-ku, Tokyo 105-8001, Japan

**Founded:** ..... July 1875

**Number of Employees:** ..... Approx. 191,000 (consolidated)

**Fiscal Year:** ..... April 1 to March 31

**Authorized Number of Shares:** ..... 10 billion shares

**Number of Shares Issued:** ..... 3,219,027,165 shares

**Number of Shareholders:** ..... 411,723

**Stock Exchange Listings:** ..... Tokyo, Osaka, Nagoya, London

**ISIN:** ..... JP359 2200004

**Ticker Code on the Tokyo Stock Exchange:** ... 6502

**Shareholder Registration Agent:** ..... The Chuo Mitsui Trust and Banking Company, Limited

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## INVESTOR RELATIONS

[www.toshiba.co.jp/about/ir/index.htm](http://www.toshiba.co.jp/about/ir/index.htm)

Toshiba Corporation makes every effort to provide shareholders and investors with reliable information in a timely manner, and toward this we make full and proactive use of the Internet in our IR activities. On our investor relations site we publish a wide range of resources, including press releases, information for shareholders, our statements of accounts, and explanations of our business result, as well as videos and other materials related to business information meetings. The site also supports interactive communication, allowing investors to ask questions and offer opinions that will help us to improve the quality of our IR activities.



## FORWARD-LOOKING STATEMENTS

This annual report 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 megacompetition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations, and other factors. Toshiba therefore wishes to caution readers that actual results may differ materially from our expectations.

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**TOSHIBA CORPORATION**



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