

# Consolidated Business Results for FY2004

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## Forward-looking Statements



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

## FY2004 Consolidated Business Results



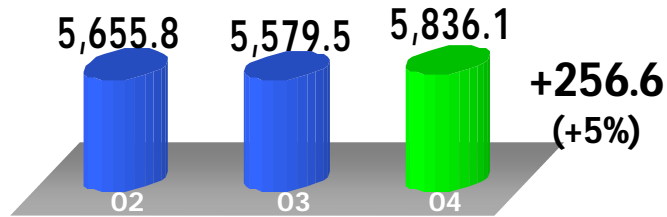
(¥ in billions, except earnings per share)

	FY2004 (A)	FY2003 (B)	(A) - (B)	(A) / (B)
Net sales	<b>5,836.1</b>	5,579.5	256.6	105%
Operating income (loss)	<b>154.8</b>	174.6	-19.8	-
Income (loss) before income taxes and minority interest	<b>110.6</b>	145.0	-34.4	-
Net income (loss)	<b>46.0</b>	28.8	17.2	-
Basic earnings per share	<b>¥ 14.32</b>	¥ 8.96	¥ 5.36	-

## FY2004 Business Results Overview

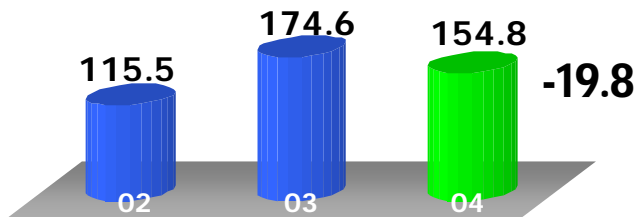


### Net Sales



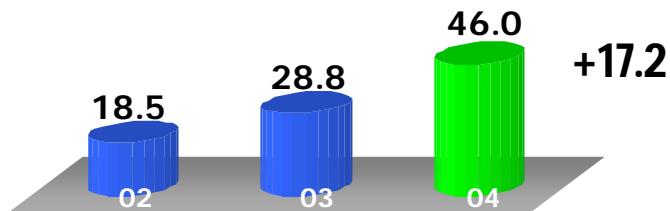
- Net sales increased year-on-year in the four key segments of Digital Products, Electronic Devices, Social Infrastructure and Home Appliances; Others saw lower sales.

### Operating Income



- PCs supported increased income; overall operating income decreased year-on-year. If two factors are excluded—income received from “Daiko-Henjyo” in FY2003 and expenditure on environmental measures in FY2004—operating income actually increased against FY2003.

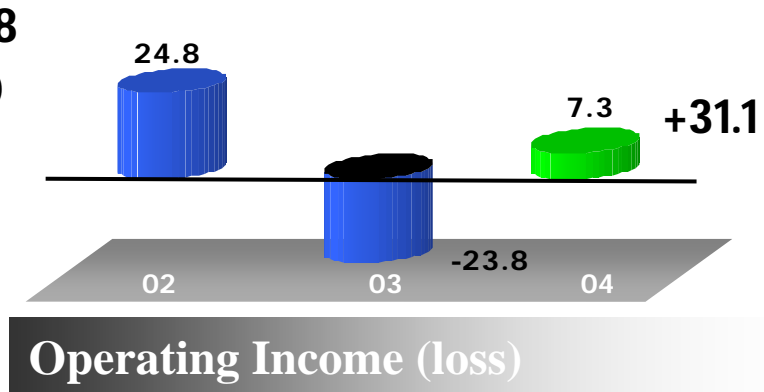
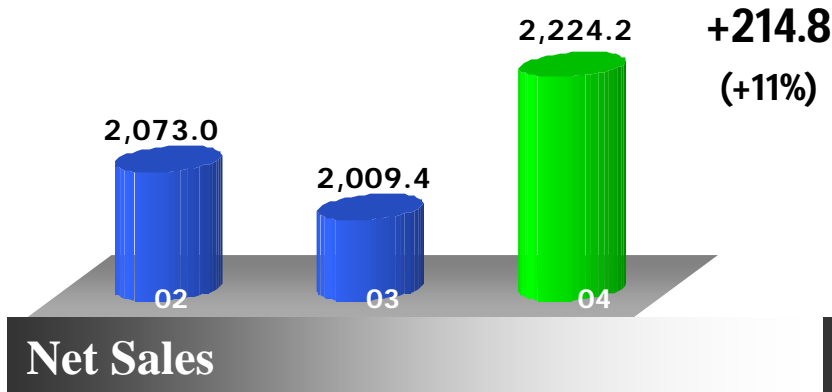
### Net Income



- Net income recorded a third consecutive year of year-on-year improvement, due to a smaller tax burden and better performances by subsidiaries accounted by the equity method.

(¥ in billions)

**Digital Products**



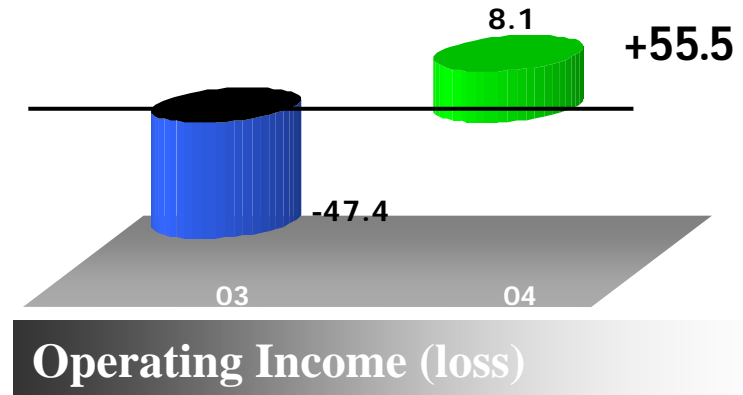
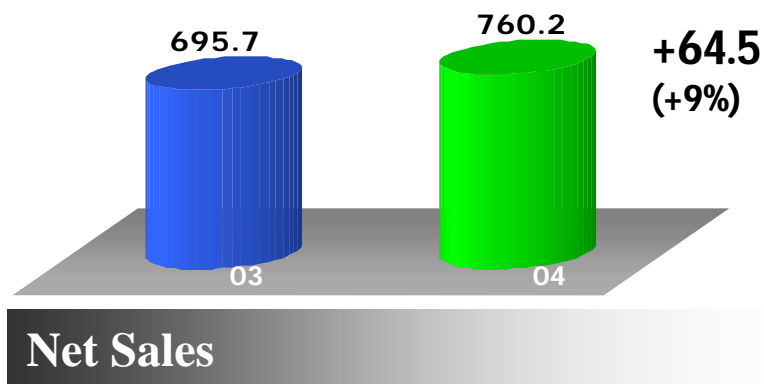
■ Sales were boosted by the performance of the PC business and the new joint venture with Samsung in optical disc drives.

■ Storage business was sluggish; PC and mobile phone business contributed to positive results.

- “Daiko-Henjyo” in FY2003: +6.8 billion yen
- Environmental measures in FY2004: -0.4 billion yen

(¥ in billions)

**PC**



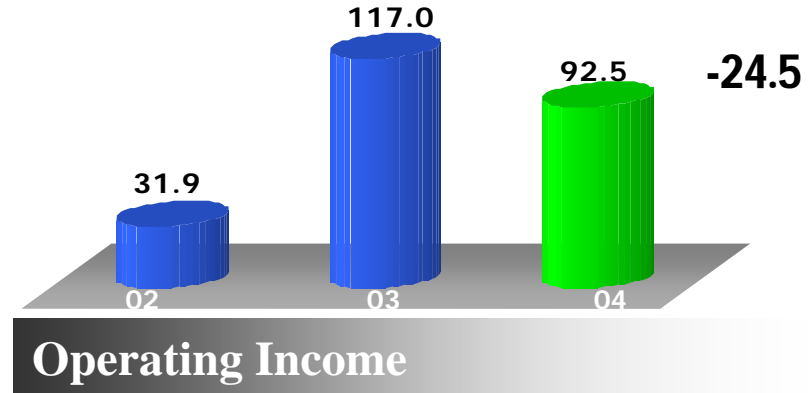
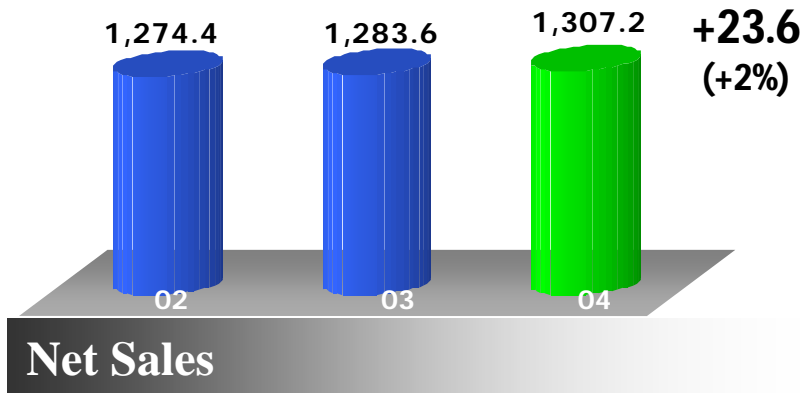
■ Overseas sales were higher, particularly in the US and Europe.

■ A successful restructuring program made itself felt in sales, R&D, manufacturing logistics, procurement and strategic products.

■ Returned to profit from the 3Q FY2004

(¥ in billions)

**Electronic Devices**



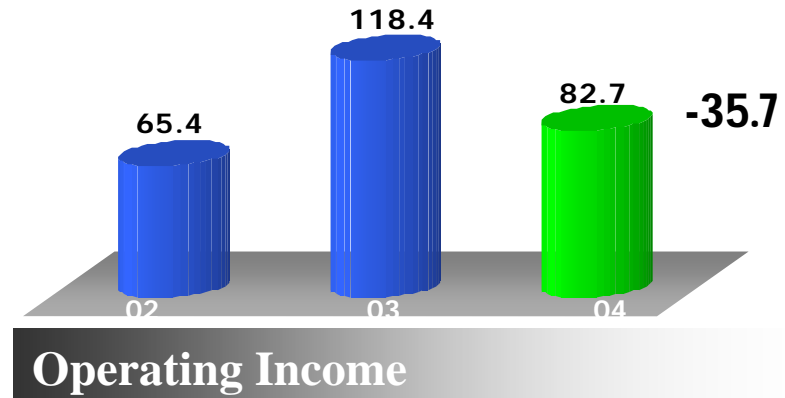
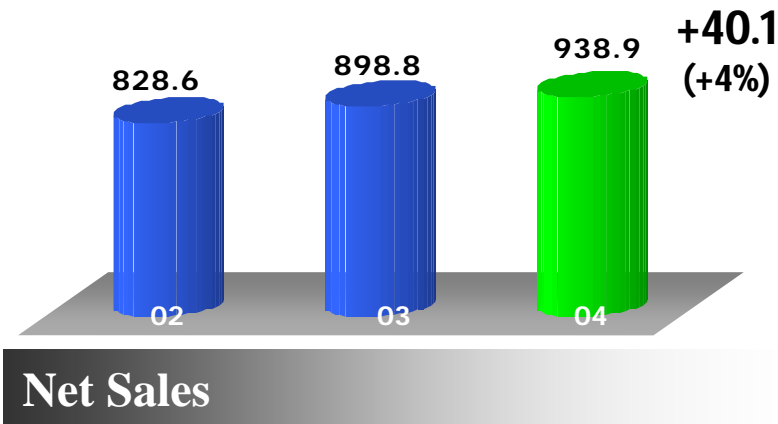
- Net sales declined in the 3Q on inventory adjustment in digital consumer market. A steady 1H and 4Q recovery in market demand underpinned an overall increase in net sales.

- LCD business continued to improve; semiconductor business saw 3Q inventory adjustment, resulting in lower profit.

- “Daiko-Henjyo” in FY2003: +15.7 billion yen

(¥ in billions)

**Semiconductor**



- Net sales declined in the 3Q on inventory adjustment in digital consumer market; an overall net sales increased year-on-year.

- Market recovery is seen after bottoming out in 3Q; an overall operating income decreased year-on-year.

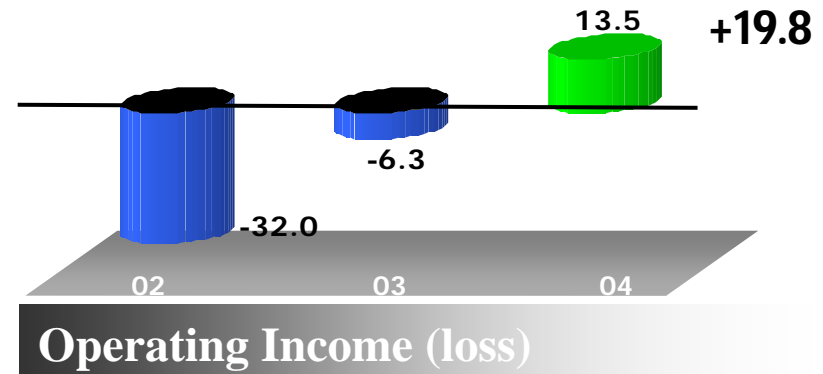
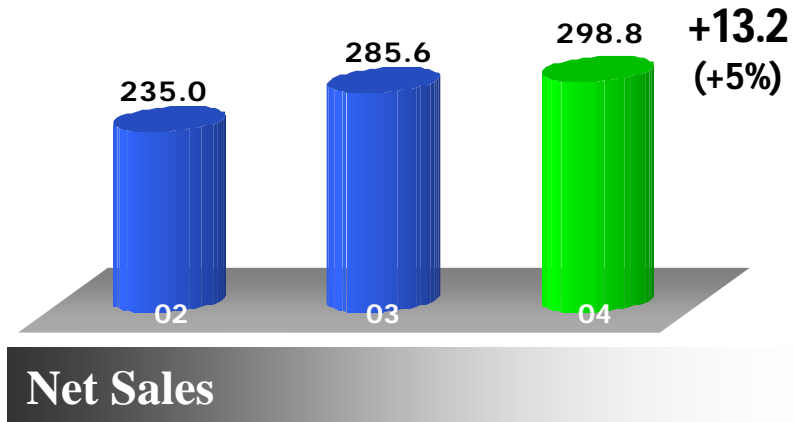
- System LSI business was slow due to inventory adjustment in the digital consumer market.

- Operating income decreased in NAND flash memory business due to price erosion of NAND memory chip.

(¥ in billions)



**LCD**

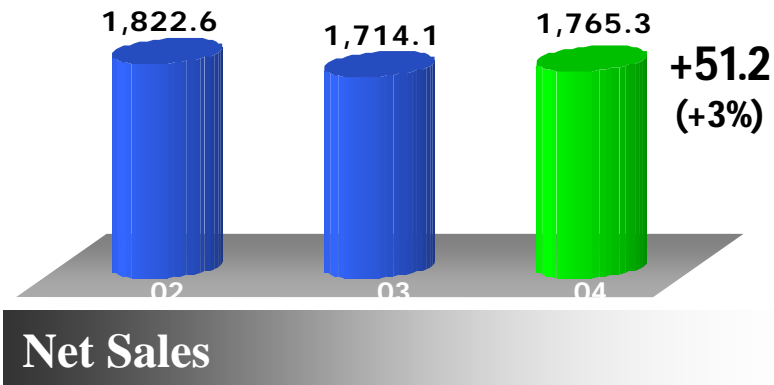


■ A concentration on high-value-added products, particularly in medium and small size displays, supported increased sales.

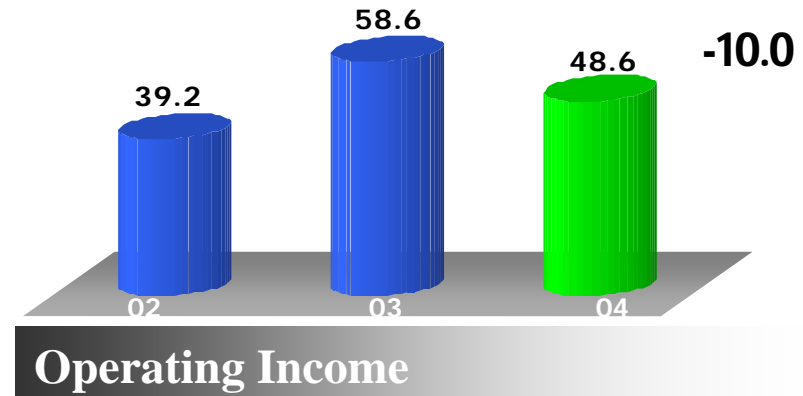
■ Higher sales of high-value-added products and improved manufacturing capabilities contributed to a return to profit.

(¥ in billions)

**Social Infrastructure**



■ Overseas orders were higher in the thermal power plant business. Medical systems also supported an overall increase in net sales.

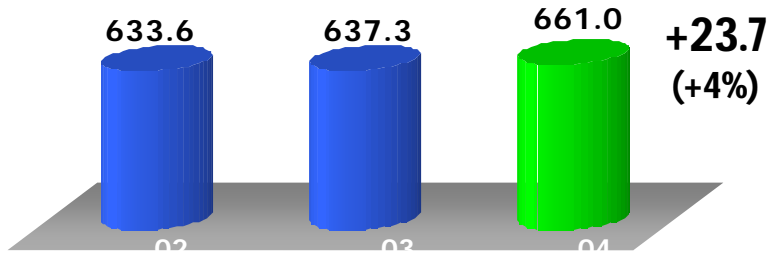


■ Medical systems and solution business increased operating income; expenditure on environmental measures cut operating income for FY2004.

- “Daiko-Henjyo” in FY2003: +22.1 billion yen
- “Daiko-Henjyo” in FY2004: +4.8 billion yen
- Environmental measures in FY2004: -9.0 billion yen

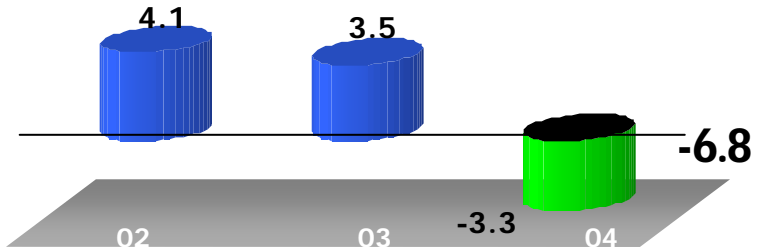
(¥ in billions)

**Home Appliances**



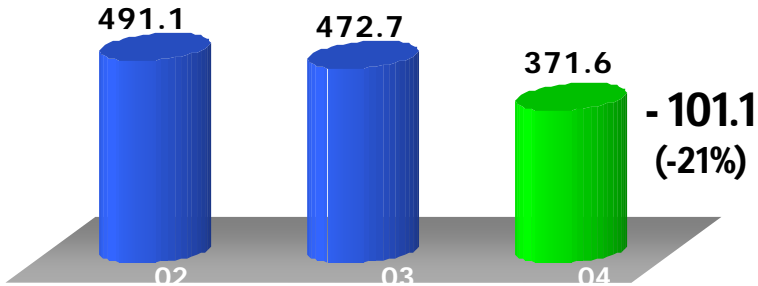
**Net Sales**

- “Daiko-Henjyo” in FY2003: +3.5 billion yen
- Environmental measures in FY2004: -0.5 billion yen

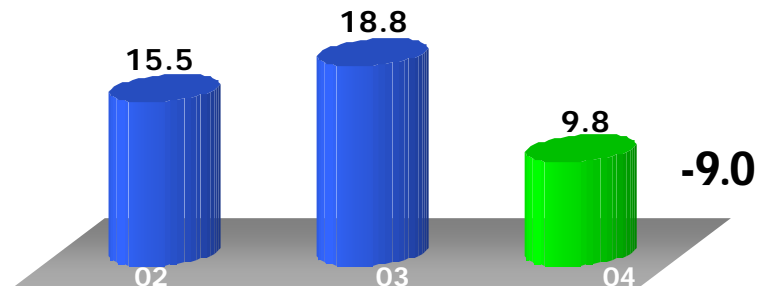


**Operating Income (loss)**

**Others**



**Net Sales**

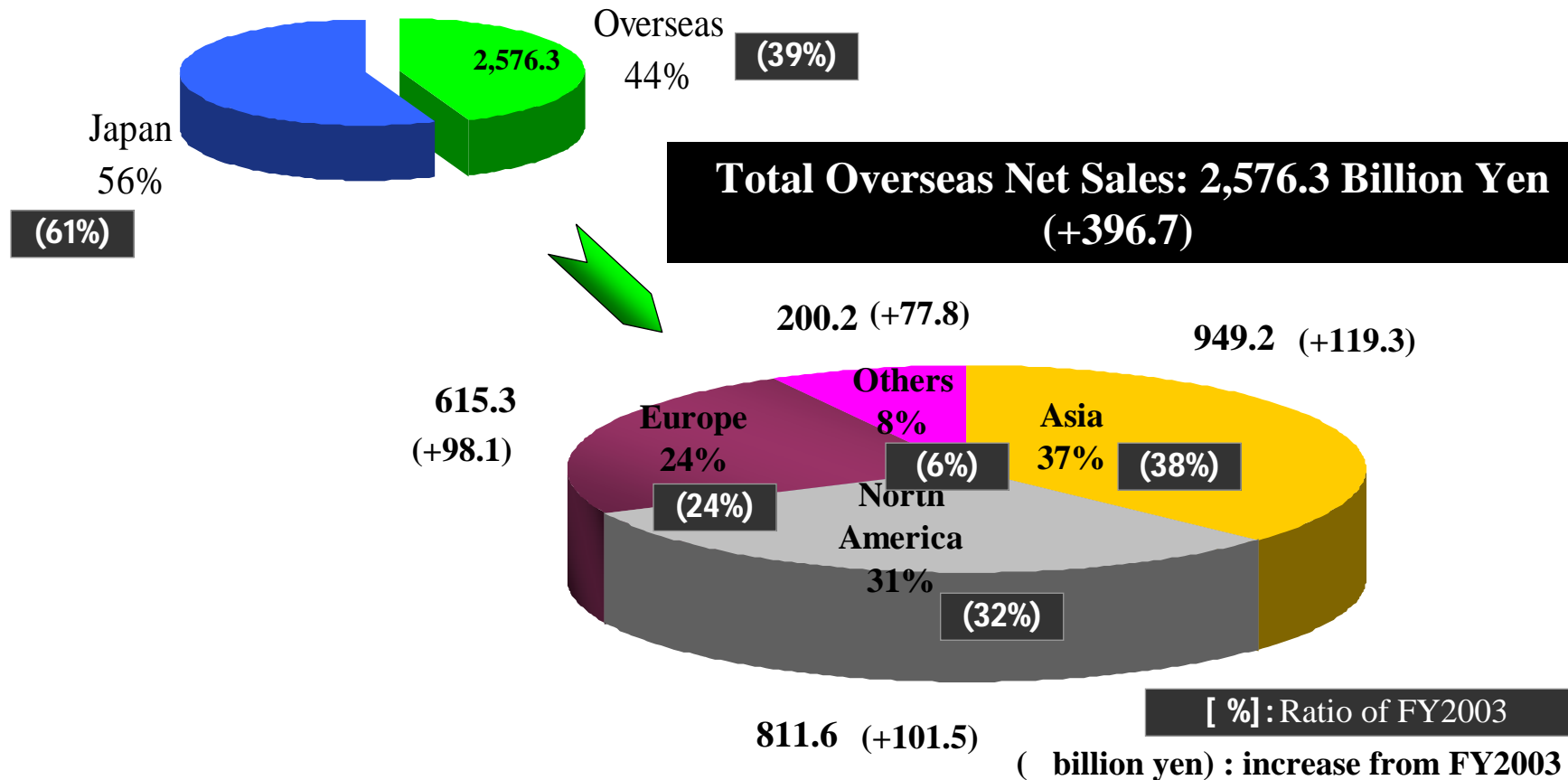


**Operating Income**

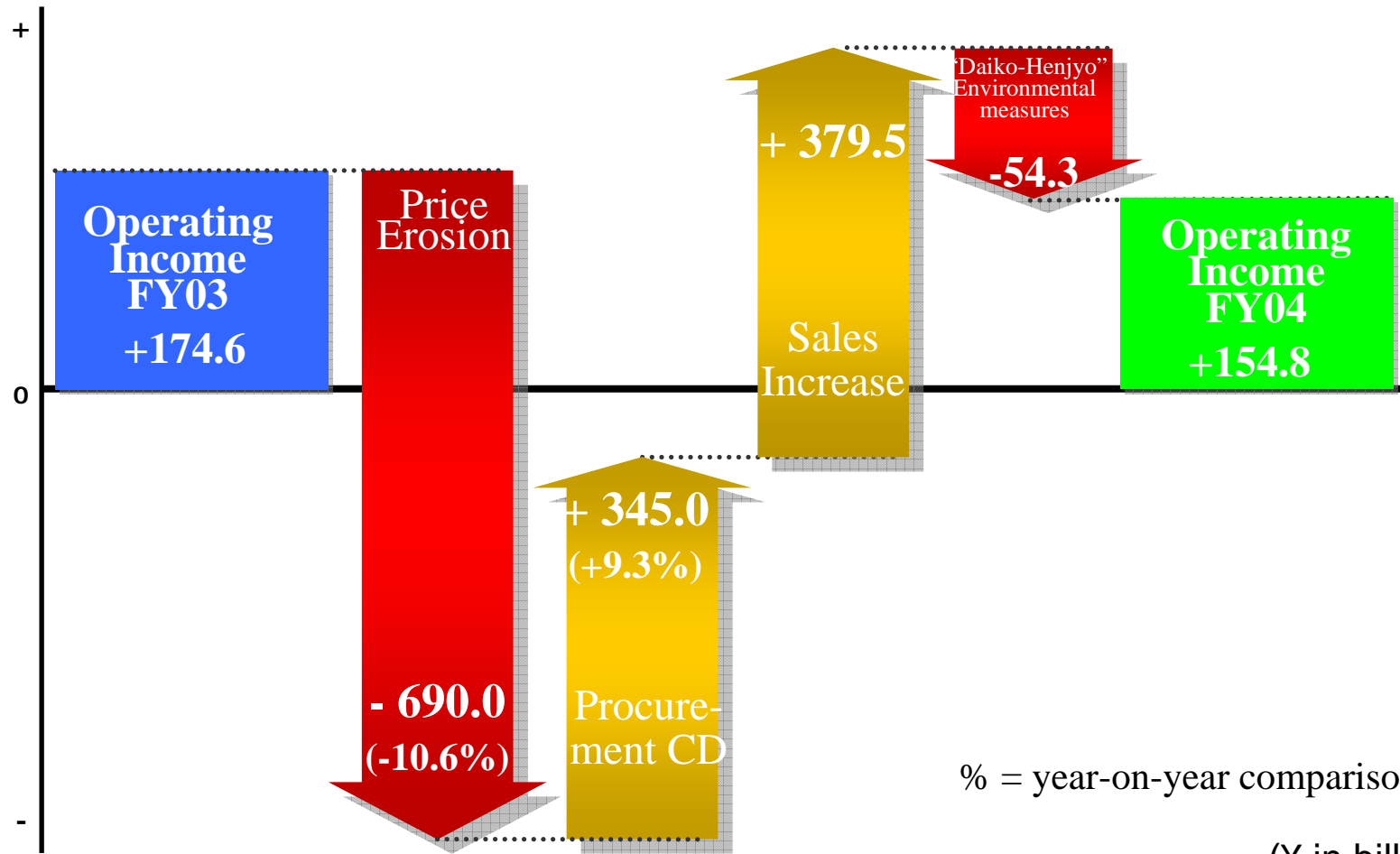
(¥ in billions)

## Consolidated Net Sales for FY2004, by Region

**Total Net Sales for FY2004 : 5,836.1 Billion Yen (+256.6)**



## Operating Income (Loss), FY2003 and FY2004



% = year-on-year comparison

(¥ in billions)

## Non-Operating Income (loss) and Income Taxes, FY2004



	FY04 (A)	Description	FY03 (B)	(A)-(B)	Description
Operating income (loss)	<b>154.8</b>		174.6	<b>-19.8</b>	Environmental measures -10.2 "Daiko-Henjo" -44.1 Total -54.3
Non-operating income (loss)	<b>-44.2</b>	Business reform -15.8 Financial balance -11.2 etc	-29.6	<b>-14.6</b>	Sales of securities, etc
Income (loss) before income taxes and minority interest	<b>110.6</b>		145.0	<b>-34.4</b>	
Income taxes	<b>-55.9</b>		-102.3	<b>46.4</b>	Decrease of operating income +14.0, Change of tax rate, Difference of book value between financial base and tax base
Minority interest in income (loss) of consolidated subsidiaries	<b>-9.3</b>	TMD and others	-4.7	<b>-4.6</b>	TMD and others
Equity in earnings of affiliates	<b>0.6</b>		-9.2	<b>9.8</b>	Contributions from new companies
Net income (loss)	<b>46.0</b>		28.8	<b>17.2</b>	

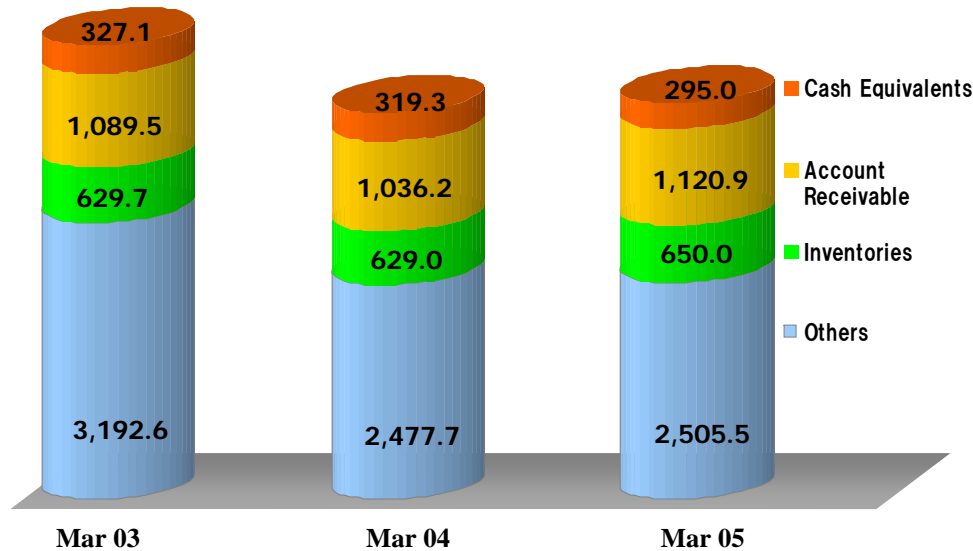
(¥ in billions)

## Consolidated Balance Sheets



### Assets

**5,238.9**      **4,462.2**      **4,571.4**



### March 04 to March 05

Total Assets	+109.2
Account Receivable	+84.7
Inventories	+21.0

### March 03 to March 05

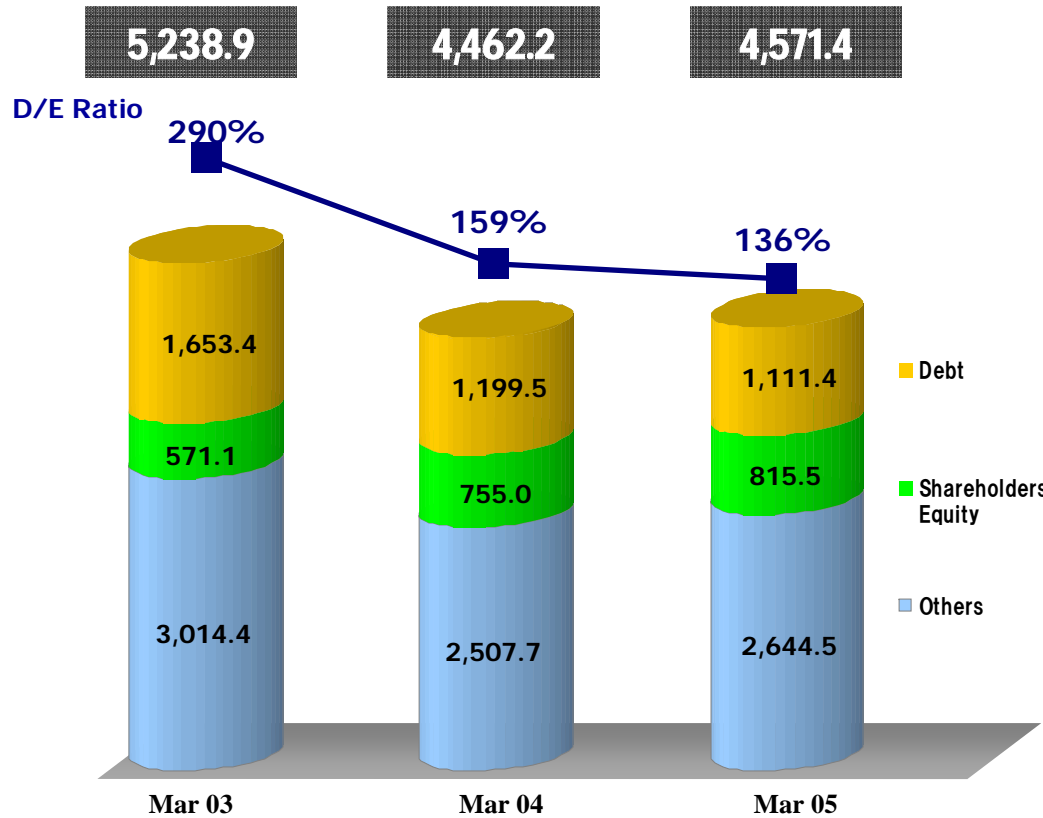
Total Assets	-667.5
Others	-687.1

\* Toshiba Finance and Shibaura Mechatronics are now accounted by the equity method.

(¥ in billions)

# Consolidated Balance Sheets

## Liabilities/Shareholders' Equity



### March 04 to March 05

Liabilities/Shareholders' Equity	+109.2
Debt	-88.1
Shareholders' Equity	+60.5

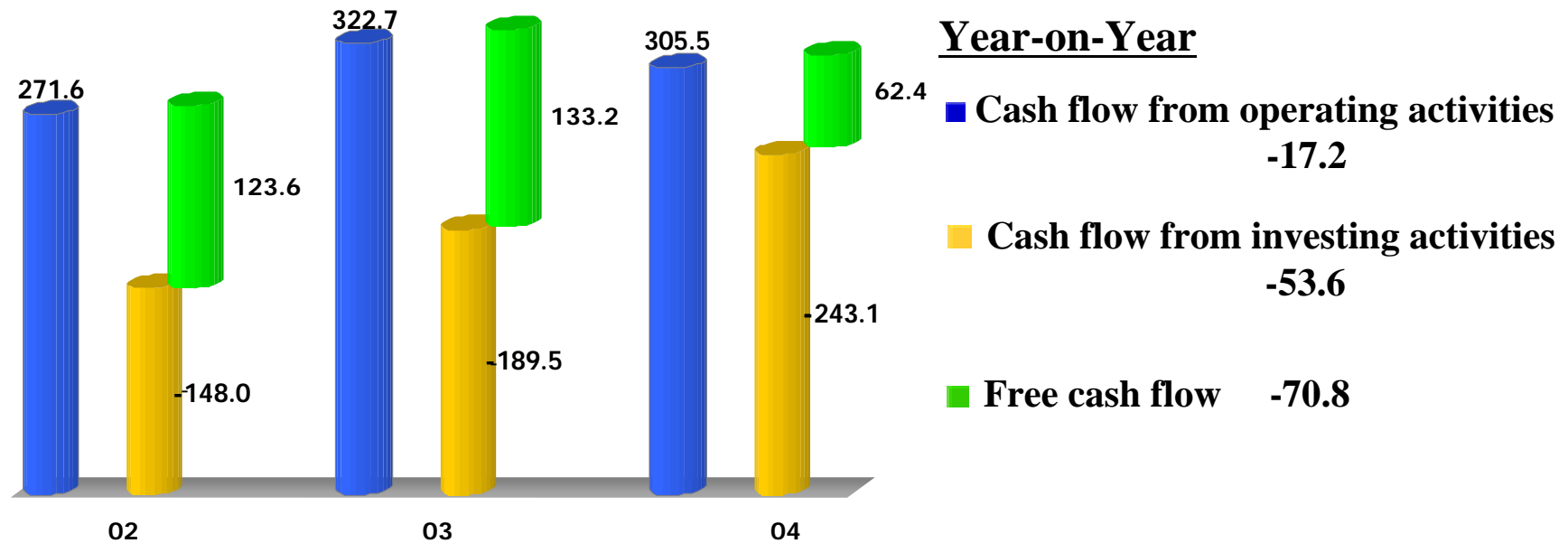
### March 03 to March 05

Liabilities/Shareholders' Equity	-667.5
Debt	-542.0
Shareholders' Equity	+244.4

(¥ in billions)



## Cash Flows



(¥ in billions)



**FY2004 Consolidated Business Results versus Revised Forecast as of Jan. 2005**

	FY2004 (A)	Forecast as of Jan. 2005 (B)	(A)-(B)	
Net sales	5,836.1	5,860.0	-23.9	100%
Operating income (loss)	154.8	160.0	-5.2	-
Income (loss) before income taxes and minority interest	110.6	110.0	0.6	-
Net income (loss)	46.0	45.0	1.0	-

(¥ in billions)

## Consolidated Forecast for FY2005

	FY2005	FY2004	(A)-(B)	
	(Forecast)	(Actual)		
	(A)	(B)		
Net sales	6,000.0	5,836.1	163.9	103%
Operating income (loss)	170.0	154.8	15.2	-
Income (loss) before income taxes and minority interest	130.0	111.2 <sup>*</sup>	18.8	-
Net income (loss)	55.0	46.0	9.0	-

\* Toshiba will include “Equity in earnings of affiliates” in “Income before income taxes” line from 1Q FY2005. Certain reclassification of FY2004 results has been made to conform with FY2005 classification. Impact of such adjustment is +0.6 billion yen.

(¥ in billions)