

FY2004 First Half Consolidated Business Results

Sadazumi Ryu
Corporate Executive Vice President

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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 First Half Consolidated Business Results

(¥ in billions, except earnings per share)

	1H FY2004 (A)	1H FY2003 (B)	(A) - (B)	(A) / (B)
Net sales	2,781.8	2,608.3	173.5	107%
Operating income (loss)	50.7	-12.0	62.7	-
Income (loss) before income taxes and minority interest	21.5	-17.6	39.1	-
Net income (loss)	8.4	-32.2	40.6	-
Basic earnings per share	¥ 2.60	- ¥ 10.00	¥ 12.60	-

FY2004 First Half Consolidated Results versus Forecast As of July 30, 2004

(¥ in billions)

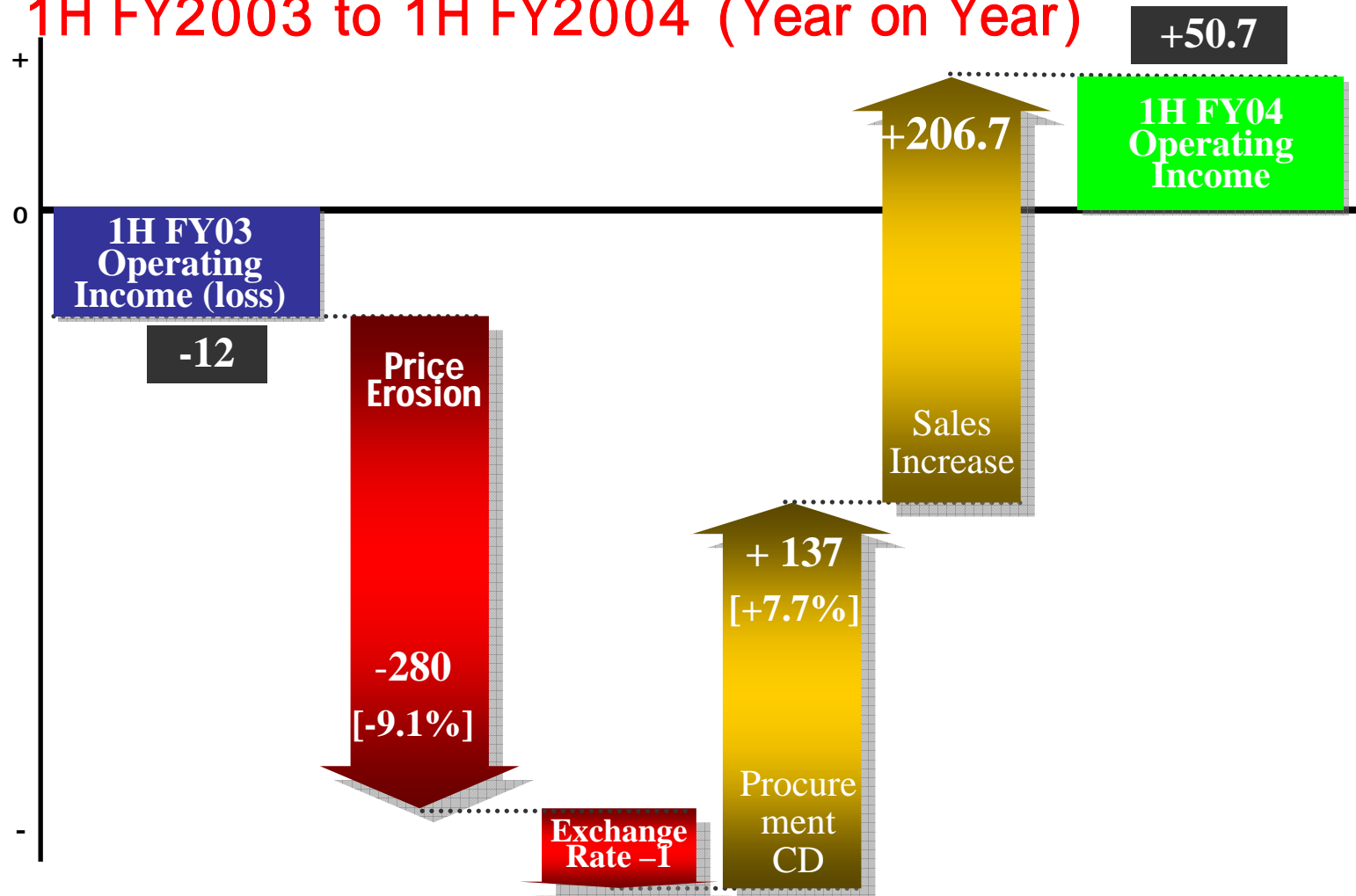
	1H FY2004 (A)	As of July 30, 2004 (B)	(A) - (B)
Net sales	2,781.8	2,800.0	-18.2
Operating Income (loss)	50.7	55.0	-4.3
Non-operating Income (loss)	-29.2	-50.0	20.8
Income (loss) before income taxes and minority interest	21.5	5.0	16.5
Net income (loss)	8.4	-5.0	13.4

■ Operating income did not meet the July 30 forecast, as the electronic devices segment did not see the anticipated growth in operating income.

■ Non-operating income (loss) improved due to the effective progress in business restructuring and also by shifting part of the plan to the second half of FY2004.

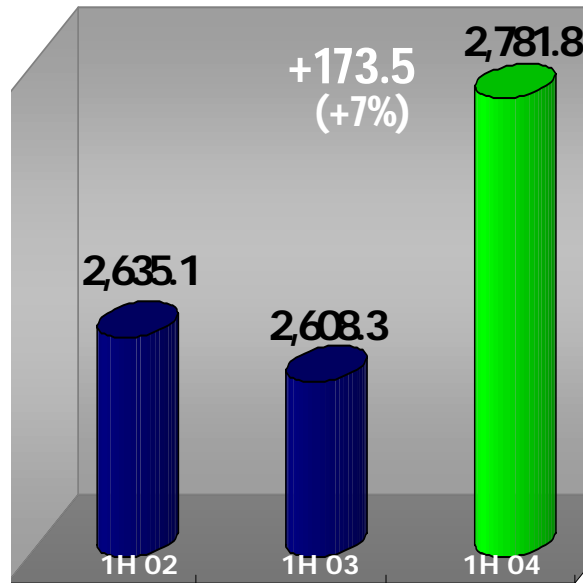
Change in Operating Income (Loss) from 1H FY2003 to 1H FY2004 (Year on Year)

(¥ in billions)



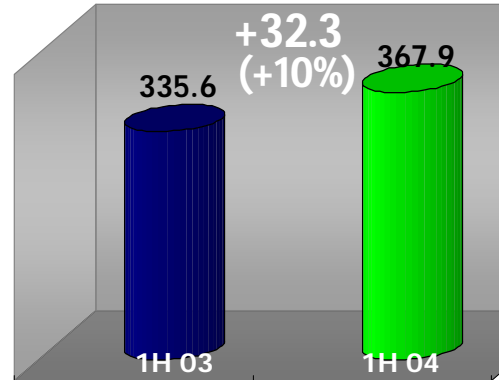
**First Half Results –
Net Sales**

Consolidated Results



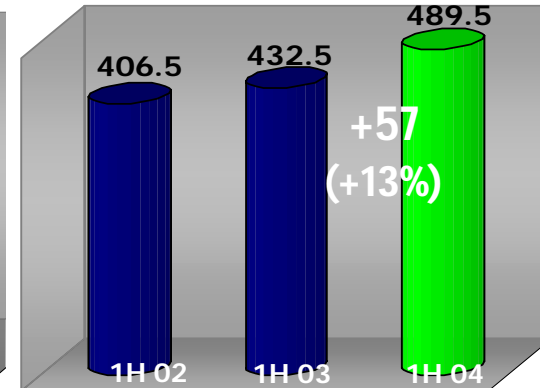
Consolidated net sales increased by 7% from 1H FY03.

PC



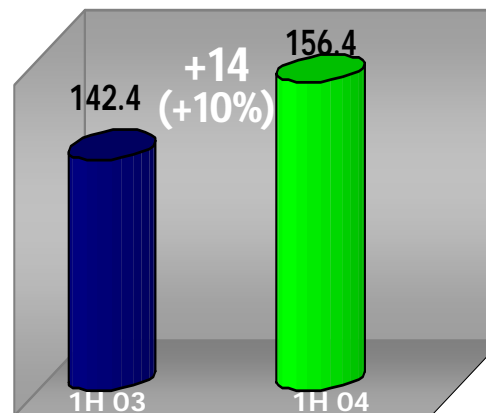
Overseas sales of PCs increased.

Semiconductors



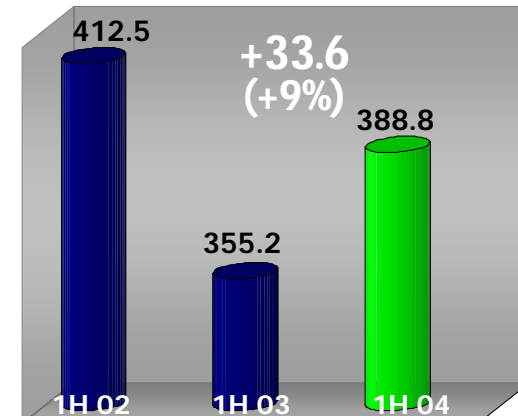
Steady demand from digital consumer market

LCD



Sales for high value-added, small and medium size LCDs increased.

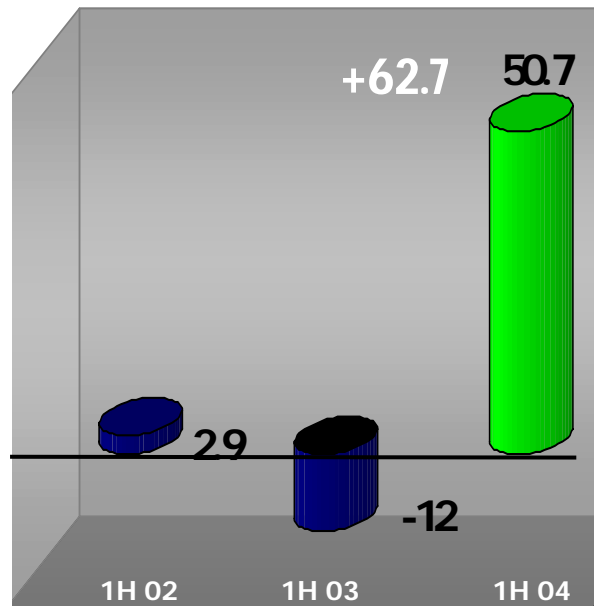
Industrial and Power Systems



Increased orders for overseas thermal power plants

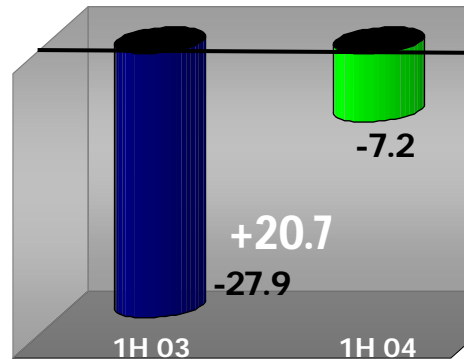
First Half Results - Operating Income (Loss)

Consolidated Results



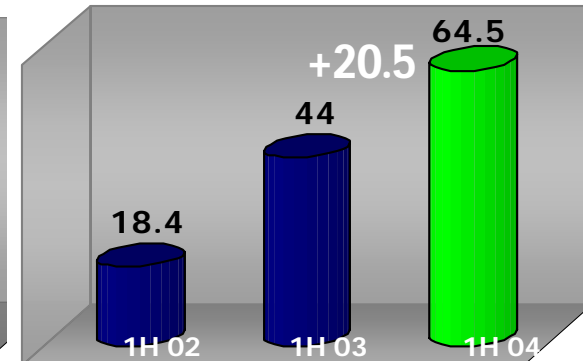
Consolidated operating income increased by 62.7 billion yen from 1H FY03.

PC



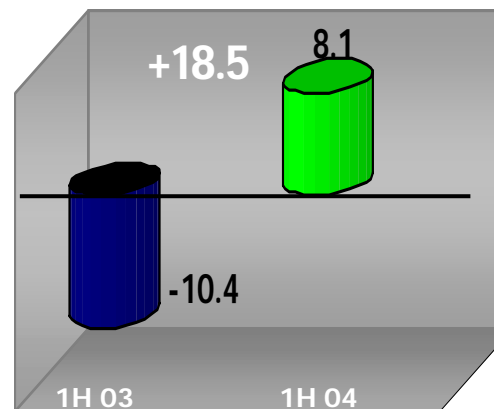
A series of restructuring measures contributed to steady recovery.

Semiconductors



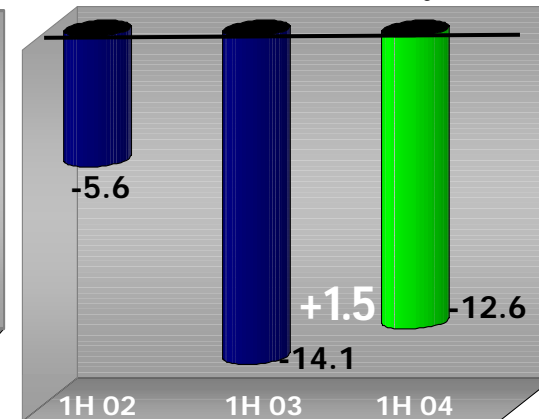
Demand from the digital consumer market lifted operating income.

LCD



Concentration on high value-added LCDs lead to profitability.

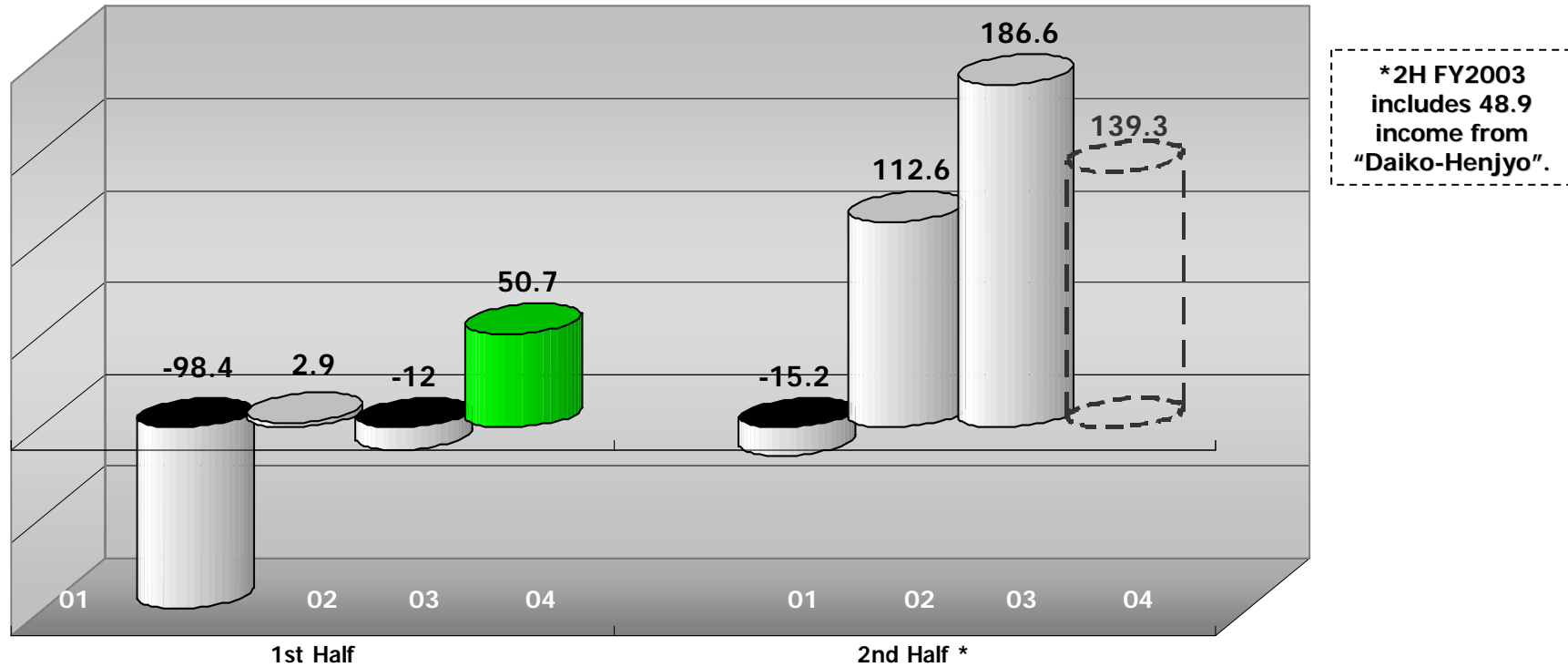
Industrial and Power Systems



Increase in operating income (loss) by 1.5 billion yen.

Operating Income (Loss), by Half Results

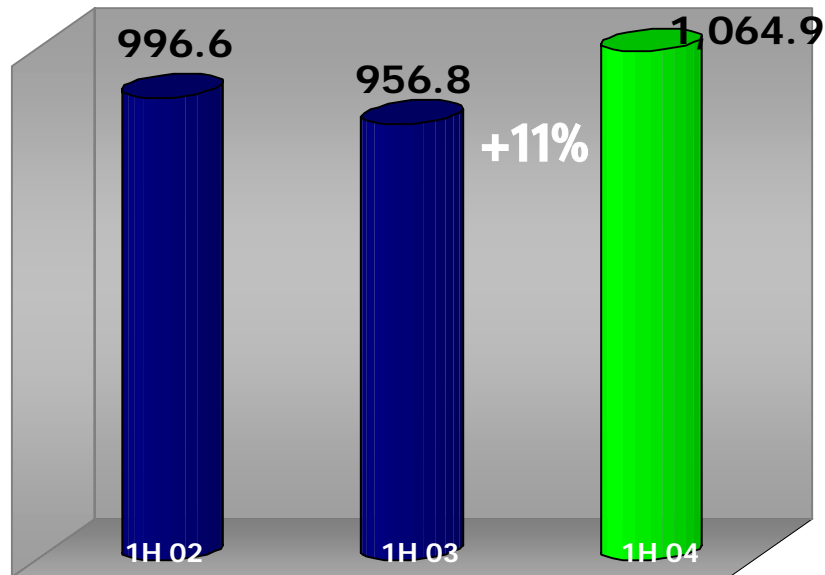
(¥ in billions)



Digital Products

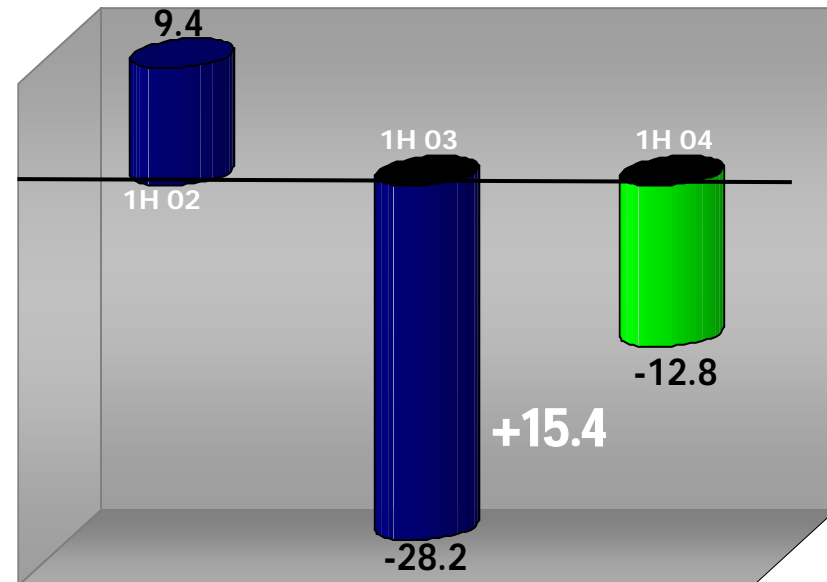
(¥ in billions)

Net Sales



■ New optical disc drive JV with Samsung Electronics raised net sales.

Operating Income (Loss)



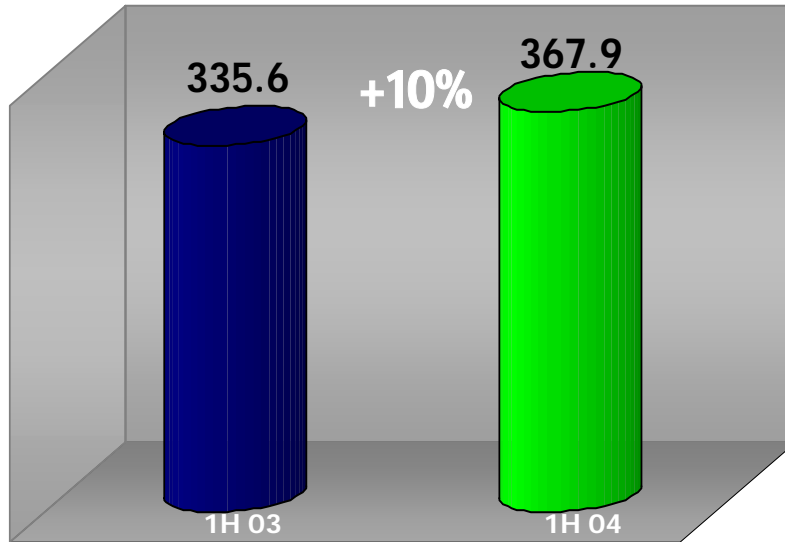
■ PC business and mobile phone business improved its profitability.

■ Storage devices depressed by market price erosion.

PC Business

(¥ in billions)

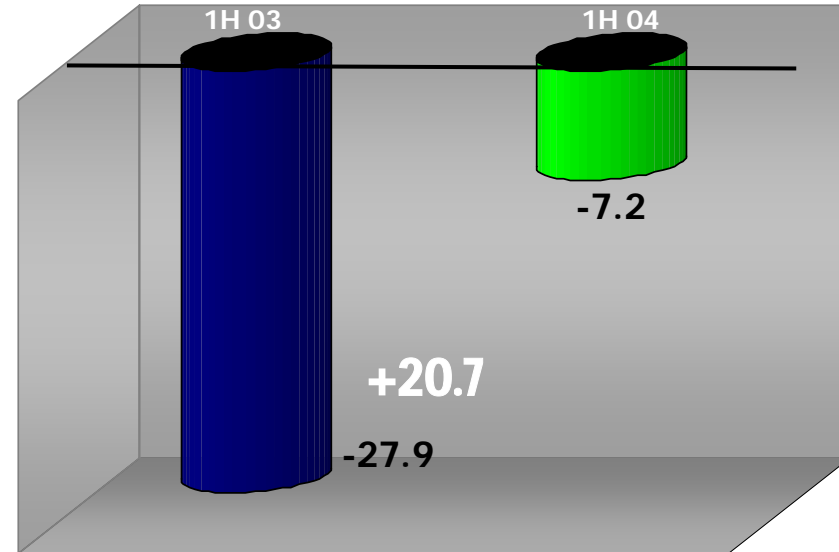
Net Sales



■ Higher sales of PCs in the US and Europe.

* PC sales and operating income are included in Digital Products.

Operating Income (Loss)

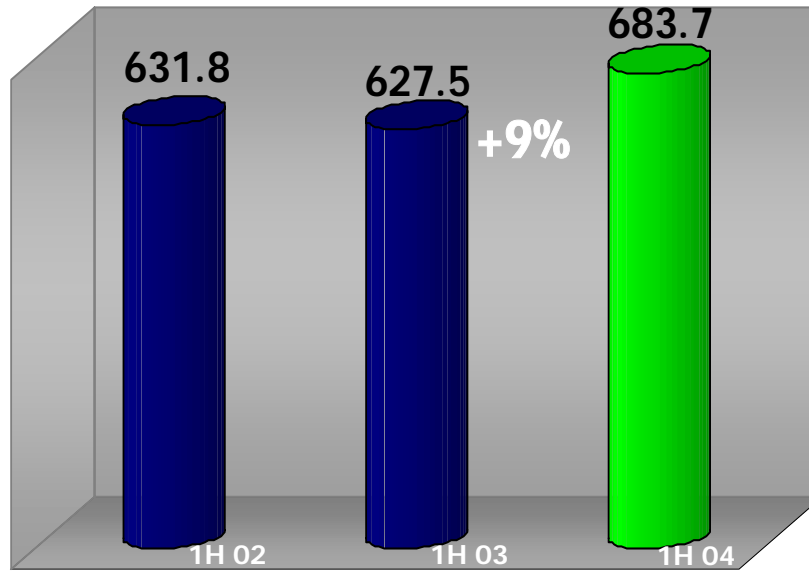


■ Restructuring in product development, production, logistics and procurement and the launch of strategic products contributed to increased operating income.

Electronic Devices

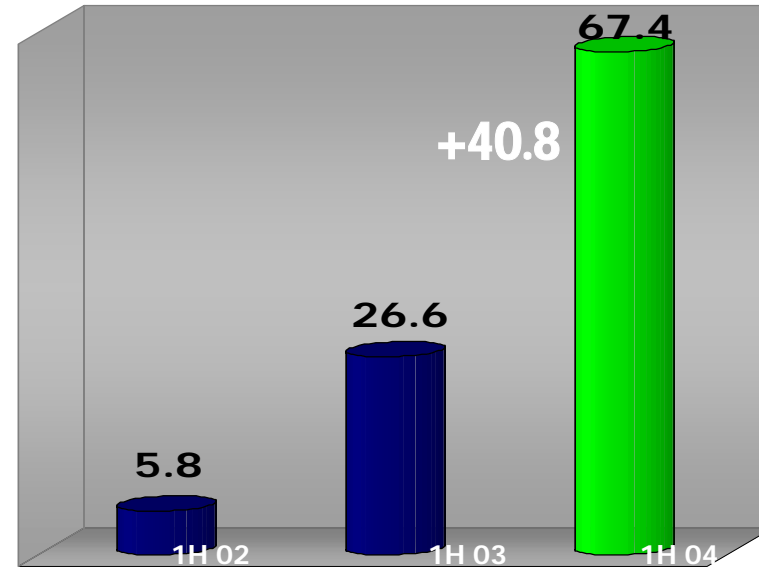
(¥ in billions)

Net Sales



■ Higher sales of semiconductors and continued improvement in the LCD business contributed to increased sales.

Operating Income

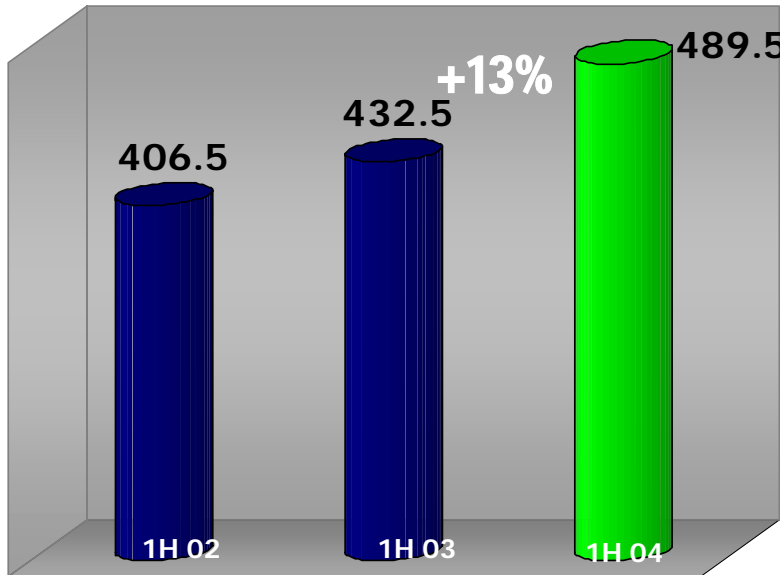


■ Sales growth contributed to increased income.

Semiconductor Business

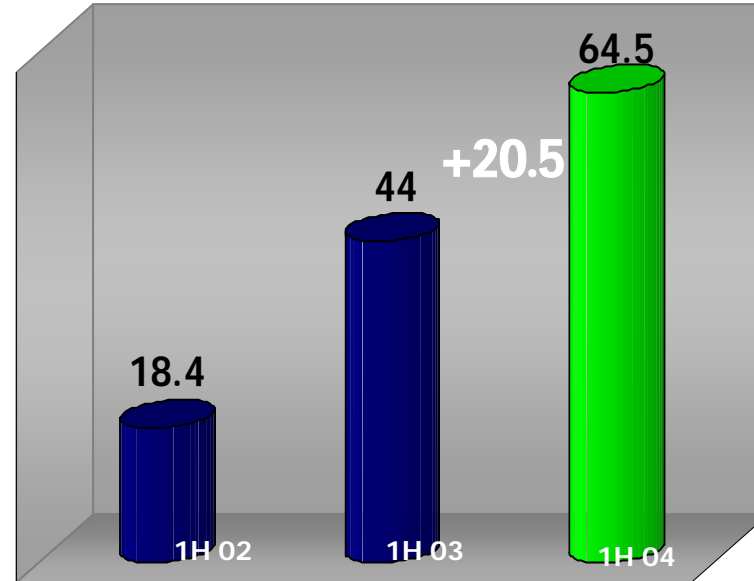
(¥ in billions)

Net Sales



■ **Strong demand from the digital consumer market drove increased sales.**

Operating Income

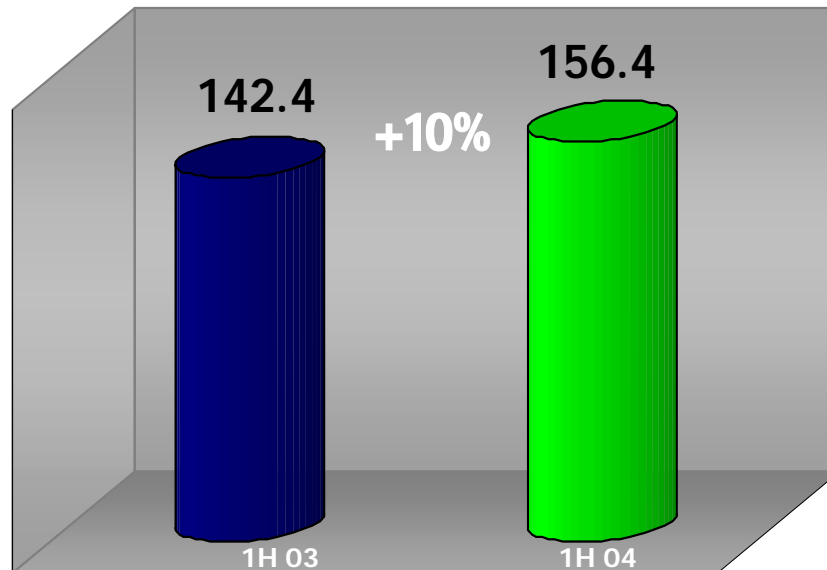


■ **Sales growth contributed to increased income.**

* Semiconductor sales and operating income are included in Electronic Devices.

LCD Business

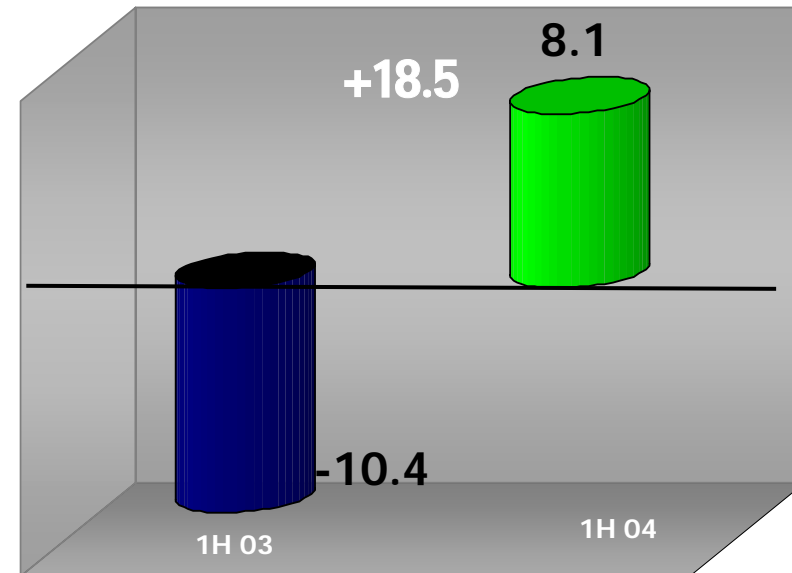
Net Sales



- Small and medium size LCDs for small portable PCs increased sales.

Operating Income (Loss)

(¥ in billions)



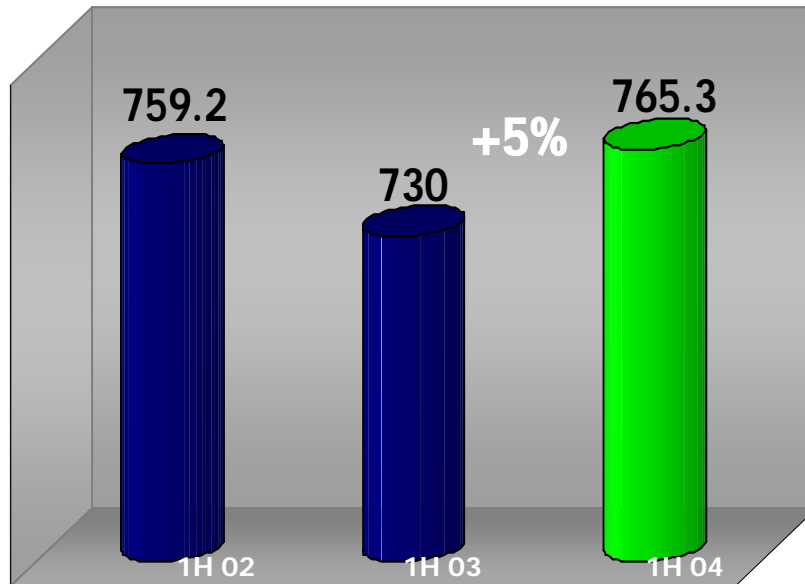
- High value-added products lifted income.
- Improved productivity also contributed.

* LCD sales and operating income are included in Electronic Devices.

Social Infrastructure

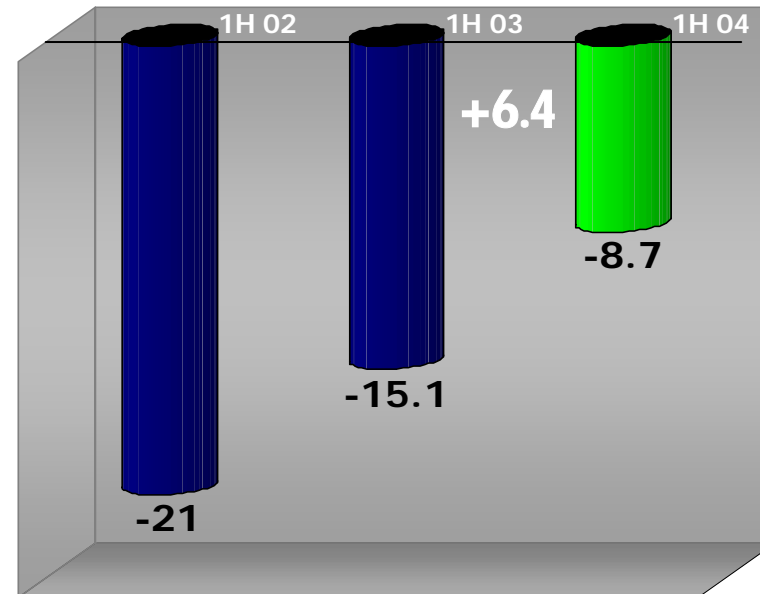
(¥ in billions)

Net Sales



■ New contracts for overseas thermal power plants increased sales.

Operating Income (Loss)

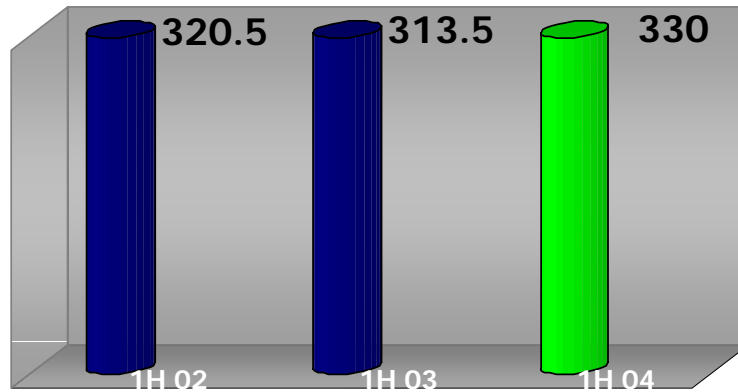


■ Improved profitability in solution business, medical systems, power plants and social infrastructures.

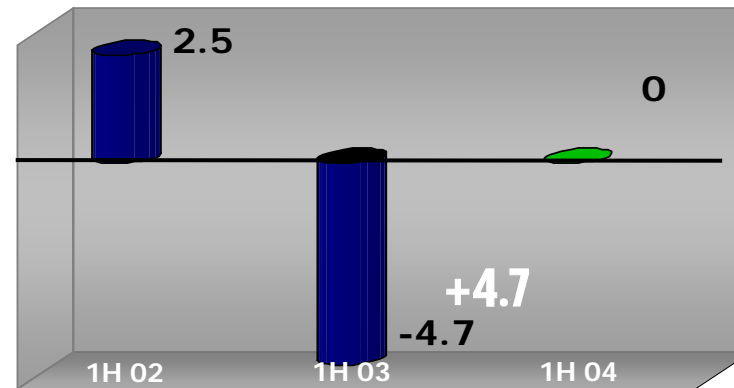
Home Appliances

(¥ in billions)

Net Sales

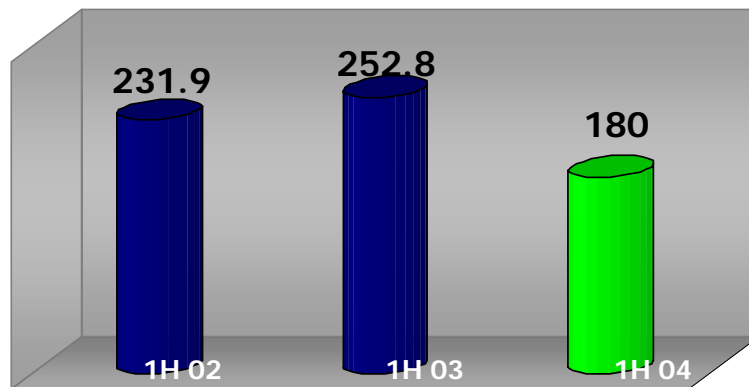


Operating Income (Loss)

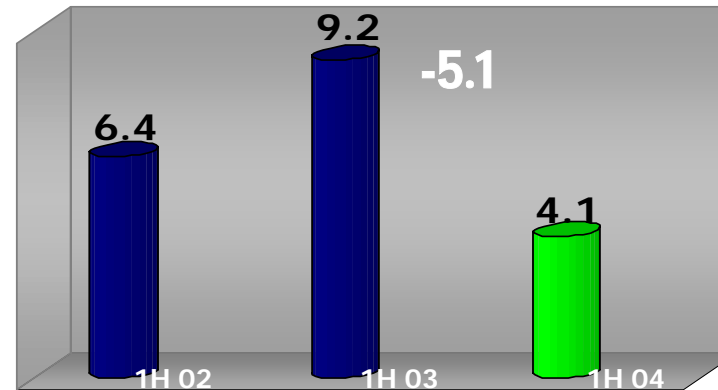


Others

Net Sales



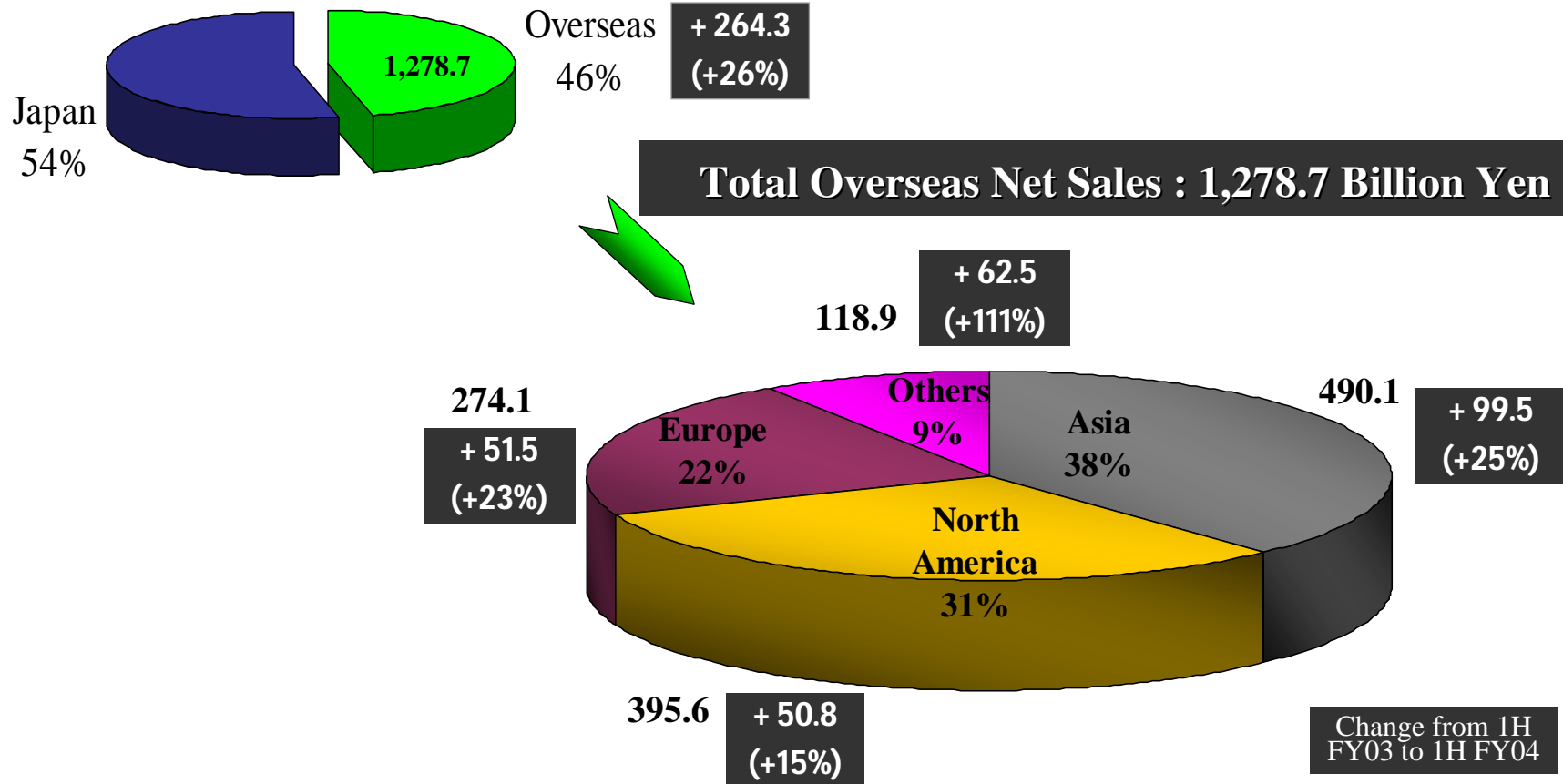
Operating Income



Consolidated First Half Net Sales, by Region

(¥ in billions)

Total Net Sales for FY2004 First Half : 2,781.8 Billion Yen



(¥ in billions)

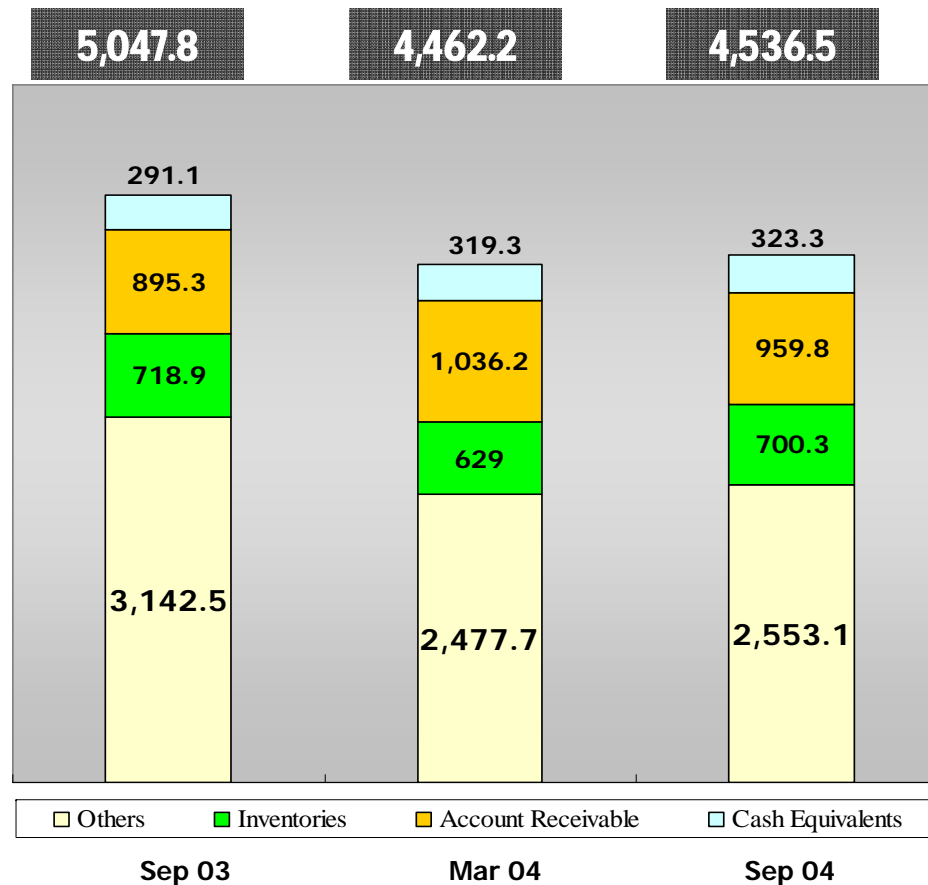
Non-Operating Income (loss) and Income Taxes

	1H FY04 (A)	Description	1H FY03 (B)	(A) - (B)	Description
Operating income	50.7		-12.0	62.7	
Non-operating income (loss)	-29.2	Business restructuring -12.5 Sales/retirement of fixed assets -6.6 Net interest expense -6.1	-5.6	-23.6	Sales of securities -16.9 Business restructuring -5.7
Income (loss) before income taxes and minority interest	21.5		-17.6	39.1	
Income taxes	-9.8		-9.9	0.1	
Minority interest in income (loss) of consolidated subsidiaries	-3.4	TMD and others	1.9	-5.3	TMD and others
Equity in earnings of affiliates	0.1		-6.6	6.7	Profitability of newly established companies improved.
Net income	8.4		-32.2	40.6	

Consolidated Balance Sheets

Assets

(¥ in billions)



From March 04 to Sep 04

Total Assets	+74.3
Accounts Receivable	-76.4
Inventories	+71.3

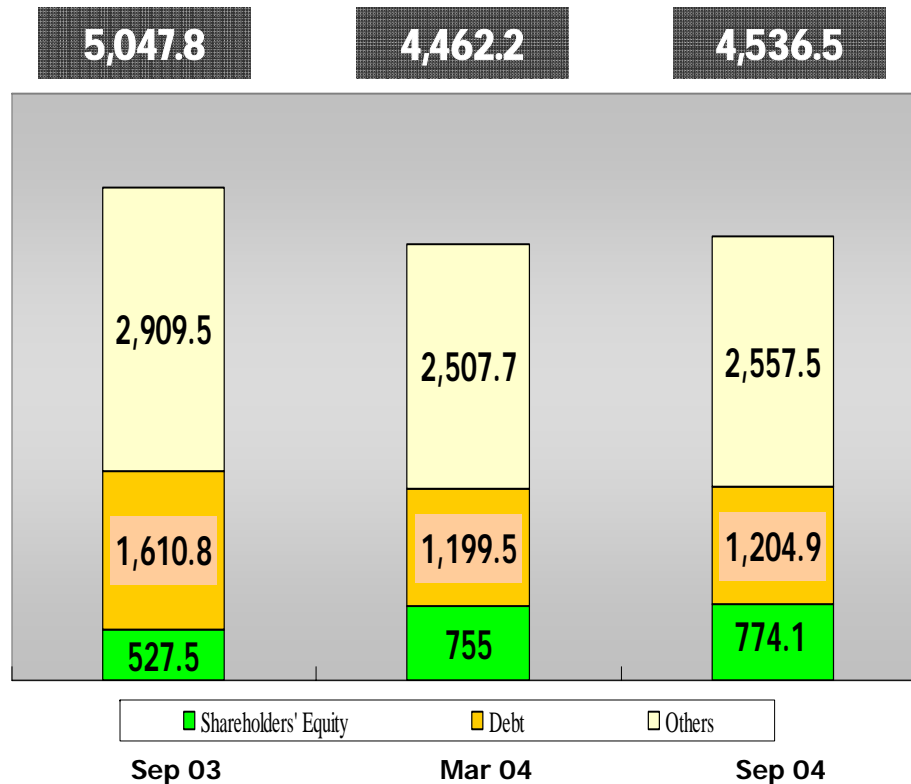
From Sep 03 to Sep 04

Total Assets	-511.3
Accounts Receivable	+64.5
Inventories	-18.6

Consolidated Balance Sheets

(¥ in billions)

Liabilities/Shareholders' Equity



From March 04 to Sep 04

- Debt +5.4
- Shareholders' Equity +19.1

From Sep 03 to Sep 04

- Debt -405.9
- Shareholders' Equity +246.6

D/E Ratio

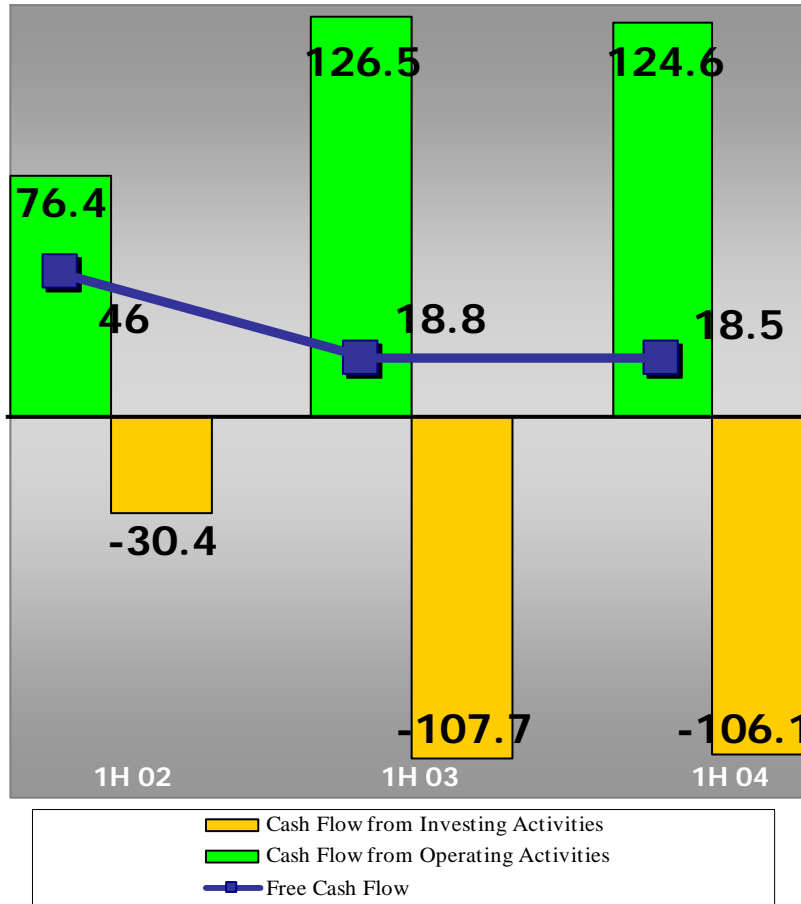
305%

159%

156%

Cash Flows

(¥ in billions)



Year on Year

Cash flow from operating activities	-1.9
Cash flow from investing activities	+1.6
Free cash flow	-0.3

Consolidated Forecast for FY2004

(¥ in billions)

	FY2004 (Revised) (A)	FY2004 (As of April 27, 04) (B)	(A) - (B)	FY2003 (Actual) (C)	(A) - (C)
Net sales	5,870.0	5,800.0	70.0	5,579.5	290.5
Operating income (loss)	190.0	190.0	0.0	174.6	15.4
Income (loss) before income taxes and minority interest	130.0	110.0	20.0	145.0	-15.0
Net income (loss)	50.0	30.0	20.0	28.8	21.2

■ Income (loss) before income taxes and minority interest and net income (loss) for FY2004 (consolidated base) is expected to increase by 20 billion yen respectively from the April 27, 2004 forecast.