TOSHIBA

Leading Innovation

2010 Annual Report

Year ended March 31,2010

Financial Review

REASON FOR THE SUBMISSION OF AMENDMENT REPORT ON ANNUAL SECURITIES REPORT

Because the full text was amended, the text is not underlined.

(1) Background

On February 12, 2015, Toshiba Corporation (the "Company") received a report order from the Securities and Exchange Surveillance Commission pursuant to Article 26 of the Financial Instruments and Exchange Act and was subject to a disclosure inspection with respect to some projects in which the percentage-of-completion of accounting method was used, among others. Following that, in the course of a self-investigation by the Company to deal with the issues identified relating to those projects in the disclosure inspection, it was noted that some matters require investigation in respect of accounting treatments for some infrastructure projects of the Company in which the percentage-of-completion method was used during the fiscal year ended March 31, 2014. Based on this situation, it was decided that the Special Investigation Committee consisting of the Company's internal committee members as well as external attorneys-at-law and certified public accountants would be established as of April 3, 2015, and the Company would of its own accord implement an investigation of the relevant facts. Then the Special Investigation Committee found that, the total amount of the contract cost was underestimated and Contract Losses (including provisions for contract losses) were not recorded in a timely manner, and also, issues requiring further investigation were identified.

Consequently, the Company decided to shift to the framework of investigation to an Independent Investigation Committee comprising independent and impartial external experts who did not have any interests in the Company as of May 8, 2015. The scope of the investigation delegated to the Independent Investigation Committee covers four matters: (1) accounting treatments in relation to projects in which the percentage-of-completion method was used; (2) accounting treatments in relation to recording of operating expenses in the Visual Products Business; (3) accounting treatments in relation to the valuation of inventory in the Semiconductor Business, mainly discrete and system LSIs; and (4) accounting treatments in relation to parts transactions, etc. in the PC Business. The Company received an investigation report from the Independent Investigation Committee on July 20, 2015.

In parallel with such efforts, the Company and all its consolidated subsidiaries as of March 31, 2015 underwent self-checks with respect to whether or not there was any issue that was not compliant with the accounting standards, internal regulations and other rules or any other inappropriate accounting treatment, and whether or not the Company and its consolidated subsidiaries were aware of any such issue or inappropriate accounting treatment, etc. including minor matters at each quarter-end in the period between the fiscal year ended March 31, 2010 and the fiscal year ended March 31, 2015 and during the period between April 1, 2015 and May 31, 2015.

The Company resolved at a meeting of the Board of Directors on September 7, 2015, to amend the annual securities reports for fiscal years from the fiscal year ended March 31, 2010 to the fiscal year ended March 31, 2014 and quarterly securities reports for quarters in the period from the fiscal year ended March 31, 2011 to the fiscal year ended March 31, 2015, to reflect the correction of the events identified in the investigation report of the Independent Investigation Committee stated above and the internal self-checks and the correction of other issues that had not been corrected due to a materiality viewpoint.

In line with the amendment, data in the consolidated financial statements were also reclassified for disclosure in connection with discontinued operations. The overview of the corrections is stated below.

(2) Overview

Restatement for the accounting treatment under the percentage-of-completion method

As the result of the above investigations, it was found that in certain infrastructure projects in which the percentage-of-completion of accounting method was used, there were cases where the estimated total cost was not calculated based on the latest information on incurred expenses, where provisions for contract losses were not recorded at the time when generation of losses became evident, and where the estimated total cost was calculated in anticipation of cost reductions which remained unsubstantiated. The accounting treatments for these projects were corrected.

Restatement for the accounting treatment in relation to recording operating expenses in the Visual Products Business

As the result of the above investigations, it was found that in the Visual Products Business, there were cases where some expenses were not recorded as expenses using the accrual-based method, where profits that should not be realized were recognized by making use of transactions between consolidated group companies, and where discounts in the purchase prices were recognized, for example by reflecting adjustment or increase of the procurement prices for the following periods, even if cost was not actually reduced. The accounting treatments for these cases were corrected.

Restatement for the accounting treatment in the parts transactions in the PC Business
As the result of the above investigations, it was found that in the PC Business, there were cases where inappropriate profits were recognized in each fiscal period for parts transactions with manufacturing subcontractors, as well as cases where some expenses were not recorded as expenses using the accrual-based method and where profits that should not be realized were recognized by making use of transactions between consolidated group companies. The accounting treatments for these transactions were corrected.

Restatement for the accounting treatment in relation to valuation of inventory in the Semiconductor Business
As the result of the above investigations, it was found that in the Semiconductor Business, there were cases where valuation losses for work-in-process inventories, and others were not recognized until the time of actual disposal of the inventories, and where the book values of term-end intermediate products and term-end completed products were overstated due to the lack of consistency between the front-end and back-end for revision of the standard cost in the standard cost accounting, and consequently cost of goods sold was understated. The accounting treatments for these cases were corrected.

Restatement for the accounting treatment for events identified in self-check and others.
The Company corrected the accounting treatments for events identified in the above self-check and other matters that had not been corrected from the standpoint of materiality.

Additional recognition of impairment losses and resulting adjustment to depreciation
Incidental with the above correction of accounting treatments, the Company recognized impairment losses on fixed assets and made a correction of the recognition timing thereof and the resulting adjustment to depreciation for the Visual Products Business, PC Business, discrete and system LSIs businesses of the Semiconductor Business.

Adjustments to income taxes
Due to a change in temporary differences resulting from the above correction of accounting treatments for prior years, the Company made adjustments to deferred tax assets and liabilities and reviewed valuation allowances.

Due to these corrections to financial results, the Company needed to make amendments to part of the annual securities report for the 171st Fiscal Period from April 1, 2009 to March 31, 2010, which was submitted as of June 23, 2010, and there were also matters to be corrected in part of other information described therein. Therefore, the Company has submitted the amendment report on the annual securities report pursuant to the provision of Article 24-2, paragraph 1 of the Financial Instruments and Exchange Act.

The amended consolidated financial statements were audited by Ernst & Young ShinNihon LLC, and the audit report of the independent auditors has been attached hereto.

The information provided is about the status as of the submission date of the original annual securities report in June 23, 2010 before correction for restatements in September 7, 2015.

FIVE-YEAR SUMMARY

Toshiba Corporation and Subsidiaries
Years ended March 31

	Millions of yen, except per share amounts				
	2010	2009	2008	2007	2006
Net sales	**¥ 6,137,689**	¥ 6,373,020	¥ 7,208,835	¥ 6,682,320	¥ 5,902,753
Cost of sales	**4,760,217**	5,185,997	5,369,452	4,951,842	4,301,508
Selling, general and administrative expenses (Note 1)	**1,305,684**	1,496,214	1,601,156	1,483,745	1,378,012
Operating income (loss) (Note 2)	**71,788**	(309,191)	238,227	246,733	223,233
Income (loss) from continuing operations, before income taxes and noncontolling interests	**(14,342)**	(336,059)	254,542	314,441	166,281
Income taxes	**24,789**	41,401	108,979	152,175	83,038
Net income (loss) attributable to shareholders of Toshiba Corporation	**(53,943)**	(398,878)	127,413	137,429	78,186
Per share of common stock:					
Earnings (loss) attributable to shareholders of Toshiba Corporation (Note 3)					
–Basic	**¥ (13.47)**	¥ (123.27)	¥ 39.46	¥ 42.76	¥ 24.32
–Diluted	**(13.47)**	(123.27)	36.59	39.45	22.44
Cash dividends	**–**	5.00	12.00	11.00	6.50
Total assets	**¥ 5,463,714**	¥ 5,435,282	¥ 5,935,637	¥ 5,931,962	¥ 4,727,113
Equity attributable to shareholders of Toshiba Corporation	**705,930**	385,170	1,022,265	1,108,321	1,002,165
Capital expenditures (Property, plant and equipment)	**209,287**	354,199	462,313	372,811	336,896
Depreciation (Property, plant and equipment)	**246,218**	306,680	338,524	257,839	226,369
R&D expenditures	**310,651**	355,980	367,767	362,584	340,846
Number of employees	**204,000**	199,000	198,000	191,000	172,000

Notes: 1) The one time receipt of ¥4,085 million for "Subsidy received on return of substitutional portion of Employees' Pension Fund Plan, net of settlement loss of ¥5,045 million" was classified as a reduction of selling, general and administrative expenses for the fiscal year ended March 31, 2006.

2) Operating income (loss) is derived by deducting the cost of sales and selling, general and administrative expenses from net sales, and reported as a measurement of segment profit or loss. This result is regularly reviewed to support decision-making in allocation of resources and to assess performance. Some items that are classified as operating income (loss) under U.S. generally accepted accounting principles ("GAAP"), such as restructuring charges and gains (losses) from the sales or disposal of fixed assets, may be presented as non-operating income (loss).

3) Basic earnings (loss) per share attributable to shareholders of Toshiba Corporation (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 convertible bonds were converted or stock acquisition rights were exercised to issue common stock, unless their inclusion would have an antidilutive effect.

4) U.S.GAAP was codified by the Financial Accounting Standards Board. Beginning with the fiscal year ended March 31, 2010, the codified standards are described in "Accounting Standards Codification (ASC)," and the Pre-Codify standards are also presented together.

5) Beginning with the fiscal year ended March 31, 2010, the Company adopted ASC No.810 "Consolidation" (formerly SFAS No.160). Prior-period data for the fiscal years ended from March 31, 2006 through 2009 has been reclassified to conform with the current classification.

6) The Mobile Broadcasting business ceased operation at the end of the fiscal year ended March 31, 2009. Prior-period data for the fiscal years ended from March 31, 2006 through 2008 has been reclassified to conform with the current classification.

7) Data for the fiscal year ended March 31, 2009 and subsequent years has been amended following corrections to the consolidated financial statements. In addition, some prior-period data relating to the discontinued operations has been reclassified.

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SCOPE OF CONSOLIDATION

As of the end of March 2010, Toshiba Group comprised Toshiba Corporation and 542 consolidated subsidiaries and its operating segments were in the Digital Products, Electronic Devices, Social Infrastructure, Home Appliances and Others.

121 consolidated subsidiaries were involved in Digital Products, 57 in Electronic Devices, 230 in Social Infrastructure, 66 in Home Appliances and 68 in Others.

The number of consolidated subsidiaries was 5 more than at the end of March 2009.

200 affiliates were accounted for by the equity method as of the end of March 2010.

RESULTS OF OPERATIONS

NET SALES AND INCOME (LOSS)

The overall condition of the global economy remained severe in FY2009 as the recession continued to make its impact felt, but the second half of the fiscal year showed some positive signs of a gradual recovery. In the United States and Europe unemployment levels have remained high and overall economic conditions are expected to remain severe, but the Chinese economy has grown, driven by domestic demand, and other Asian economies also are on the upturn. In Japan, a continuing awareness of overcapacity of plant and facilities remained in some sectors, and persistent high unemployment leaves the overall outlook unclear, but positive results from emergency stimulus packages appear to point to a gradual upturn in the economy.

In these circumstances, under the Action Programs to Improve Profitability announced in January 2009, a series of strategic policies that aim to generate profit regardless of market conditions and fluctuations, Toshiba resolutely promoted group-wide cost reduction measures and strategic allocations of resources, accelerated the further globalization of its business and promoted business structure reformation.

Toshiba's consolidated net sales for FY2009 were 6,137.7 billion yen, a decrease of 235.3 billion yen from the previous year. This result reflected yen appreciation and the impact of the recession in the first half of FY 2009, though the latter half saw an improvement against the year-earlier period. Consolidated operating income (loss) saw a significant improvement in all business segments apart from Others, and returned to the black to the tune of 71.8 billion yen, a year-on-year advance of 381.0 billion yen. Most notably, operating income in the Semiconductor business returned to the black, driven in particular by a recovery in performance in Memories.

Income (Loss) from continuing operations before income taxes and noncontrolling interests improved by 321.8 billion yen to -14.3 billion yen, despite the restructuring costs, and the net loss attributable to shareholders of Toshiba Corporation improved by 345.0 billion yen to -53.9 billion yen.

KEY PERFORMANCE INDICATORS

Following are the key performance indicators ("KPIs") that the Management of the Group uses in managing its business.

Net sales and operating income (loss) are the basic indicators for measuring the business results of the Group. Operating income (loss) is regularly reviewed to support decision-making in allocations of resources and to assess performance. Operating income ratio (ratio of operating income to net sales) is also KPIs.

The Group aims to evolve into one of the world's top-level diversified electric & electronics manufacturers through excellent operational performance and winning global competitiveness, and to secure a return to the path of sustained growth with steadily higher profit while simultaneously reinforcing its financial foundation.

To assess financial position of the Group, the Management emphasizes the shareholders' equity ratio (ratio of total equity attributable to shareholders of Toshiba Corporation to total assets) and debt-to-equity ratio. Active capital investment and R&D activity are indispensable for growth of the Group, both are KPIs. To measure the efficiency of investments, Management emphasizes ROI (return on investment).

Year ended March 31	Billions of yen	
	2010	2009
Net sales	**6,137.7**	6,373.0
Operating income (loss) (Note 1)	**71.8**	(309.2)
Operating income (loss) ratio (%)	**1.2**	(4.9)
Return on equity (ROE) (%)	**(9.9)**	(56.7)
Shareholders' equity ratio (%)	**12.9**	7.1
Debt/equity ratio (%)	**173**	470
Capital expenditures (Note 2)	**209.7**	422.5
R&D expenditures	**310.7**	356.0
Return on investment (ROI) (%) (Note 3)	**3.0**	(12.0)

Notes: 1) Operating income (loss) is derived by deducting the cost of sales and selling, general and administrative expenses from net sales, and reported as a measurement of segment profit or loss. Some items that are classified as operating income (loss) under U.S. GAAP, such as restructuring charges and gains (losses) from the sales or disposal of fixed assets, may be presented as non-operating income (loss).
2) Capital expenditure is on an ordering amount basis. The capital expenditure amount includes the Group's portion of the investments made by Flash Alliance, Ltd. and others, which are companies accounted for by the equity method.
3) ROI is operating income (loss) divided by total debt plus total equity.

The Company's consolidated net sales for FY2009 were 6,137.7 billion yen, a decrease of 235.3 billion yen from the previous year. This result reflected yen appreciation and the impact of the recession in the first half of FY2009, though the latter half saw an improvement against the year-earlier period. Consolidated operating income (loss) saw an improvement in all business segments apart from Others, and returned to the black to the tune of 71.8 billion yen, a year-on-year advance of 381.0 billion yen. Most notably, operating income in the Semiconductor business improved driven in particular by a performance recovery in Memories.

Income (Loss) from continuing operations before income taxes and noncontrolling interests improved by 321.8 billion yen to -14.3 billion yen, despite the restructuring costs, and the net loss attributable to shareholders of Toshiba Corporation improved by 345.0 billion yen to -53.9 billion yen. This resulted in an improved operating income ratio and ROE, 1.2% and -9.9%, respectively.

Equity attributable to the shareholders of Toshiba Corporation, increased to 705.9 billion yen, an increase of 320.7 billion yen from the end of March 2009, despite a net loss attributable to shareholders of Toshiba Corporation of -53.9 billion yen. This reflects the capital increase resulting from a June 2009 public offering, as well as an improvement in accumulated other comprehensive income (loss) of 58.6 billion yen due to unrealized gains on the recovery in stock market prices.

Total debt decreased by 593.7 billion yen from the end of March 2009 to 1,218.3 billion yen.

As a result of the foregoing, the shareholders' equity ratio at the end of March 2010 was 12.9%, a 5.8-point improvement from the end of March 2009, and the debt-to-equity ratio at the end of March 2010 was 173%, a 297-point improvement from the end of March 2009.

The Group curbed capital expenditures and carefully selected projects by type of investment for the current period, and as a result capital expenditures were reduced by 212.8 billion yen to 209.7 billion yen on the company-wide basis of orders placed, compared with the previous fiscal year's 422.5 billion yen. Due to improved operating income and reduced total debt, ROI was greatly improved significantly from previous fiscal year. Also, the Group cut down R&D expenditures.

DIVIDEND

The Company, while giving full consideration to such factors as the strategic investments necessary to secure medium to long term growth, seeks to achieve continuous increases in its actual dividend payments, in line with a payout ratio in the region of 30 percent, on a consolidated basis.

As a result of strenuous efforts to recover business performance throughout FY2009, the Group's operating income has substantially improved over the previous term. However, net income (loss) attributable to shareholders of Toshiba Corporation on a consolidated basis and net income (loss) on a non-consolidated basis remained in the red. In terms of its financial position, the Group is tackling improvements in cash flow and reduction of debt, in order to reinforce its financial structure and to support future growth. In light of these circumstances, we regret that the Company is forced to forgo paying a dividend from earnings on both an interim and year-end basis.

The Company will carefully examine and decide on the dividend plan for the next term, FY2010, in light of the Group's financial position and strategic investment plans, and will announce the dividend for FY2010 as soon as it is determined.

RESULTS BY INDUSTRY SEGMENT

	Billions of yen			
	Net Sales		Operating Income (loss)	
Year ended March 31	–	Change (%)	–	Change
Digital Products	2,113.7	-3%	(24.7)	41.4
Electronic Devices	1,313.9	-1%	(28.8)	295.8
Social Infrastructure	2,302.2	-4%	134.5	26.5
Home Appliances	581.7	-13%	(5.1)	22.5
Others	315.8	-6%	(5.6)	-6.1
Eliminations	-489.6	–	1.5	–
Total	6,137.7	-4%	71.8	381.0

DIGITAL PRODUCTS

Digital Products saw overall sales decrease by 75.7 billion yen to 2,113.7 billion yen. The acquisition of Fujitsu's hard disk drive business contributed to higher sales in the Storage Products business. The PC business saw lower sales, mainly due to the trend to low priced machines and changes in exchange rates. Visual Products which includes LCD TVs, and Office Equipment also saw lower sales.

Overall segment operating income (loss) improved by 41.4 billion yen to -24.7 billion yen. While the PC business's profitability suffered, due to the penetration of low priced machines and increases in the cost of parts, the Visual Products business improved and Storage Products business recorded higher operating income due to success in cutting costs and other factors.

ELECTRONIC DEVICES

Electronic Devices saw sales decrease by 7.6 billion yen to 1,313.9 billion yen. The Semiconductor business recorded higher sales: sales in Memories rose significantly, reflecting an improved supply and demand balance and price stability for NAND Flash memories, and sales in Discretes were at the same level as a year earlier, compensating for lower sales in System LSIs. The LCD business also saw a significant sales decline.

Overall segment operating income (loss) improved substantially by 295.8 billion yen to -28.8 billion yen. The Semiconductor business saw a significant improvement, mainly reflecting the performance in Memories and System LSIs, which saw higher sales, effective cost reductions, and an improved supply and demand balance and price stability that compensated for shifts in exchange rates. The LCD business recorded a weak performance.

SOCIAL INFRASTRUCTURE

Social Infrastructure saw overall sales decline by 95.9 billion yen to 2,302.2 billion yen. Nuclear Energy Systems posted healthy sales in respect of new plants overseas and maintenance and service, and the overall decline in segment sales primarily reflected a fall in orders in areas other than Nuclear Energy Systems.

Segment operating income increased by 26.5 billion yen to 134.5 billion yen. The Nuclear Energy Systems recorded higher operating income on increased sales, and the Medical Systems business maintained high profitability. Other businesses in the segment also secured operating income at the same level as a year earlier, mainly reflecting successful efforts to cut costs.

HOME APPLIANCES

Home Appliances saw sales decrease by 90.7 billion yen to 581.7 billion yen. Sales in Air-conditioning and Lighting Systems were affected by the decrease in housing and building starts. Declining consumption also brought lower sales to White Goods.

The segment as a whole recorded an operating loss of 5.1 billion yen, an improvement of 22.5 billion yen compared with the previous year, and in the second fiscal half the segment returned to the black. Most notable were the major improvement in performance in White Goods, reflecting progress in cost reductions, and the improvement in the Lighting Systems Business.

OTHERS

Others saw sales fall by 18.5 billion yen to 315.8 billion yen, and operating income (loss) fell by 6.1 billion yen to -5.6 billion yen.

The Company's Consolidated Financial Statements are based on U.S. GAAP.

Operating income (loss) is derived by deducting the cost of sales and selling, general and administrative expenses from net sales, and reported as a measurement of segment profit or loss. This result is regularly reviewed to support decision-making in allocations of resources and to assess performance. Some items that are classified as operating income (loss) under U.S. GAAP, such as restructuring charges and gains (losses) from the sales or disposal of fixed assets, may be presented as non-operating income (loss).

The Mobile Broadcasting business, the Mobile Phone business and the Optical Drive business have been classified as discontinued operations in the consolidated accounts in accordance with Accounting Standards Codification No.205-20. "Presentation of Financial Statements-Discontinued Operations". The performances of these businesses are excluded from consolidated net sales, operating income (loss), and income (loss) from continuing operations, before income taxes and noncontrolling interests. Toshiba Group's net income (loss) is calculated by reflecting these business results to income (loss) from continuing operations, before income taxes and noncontrolling interests. Some data relating to the discontinued operation has been reclassified following corrections to the consolidated financial statements.

RESEARCH AND DEVELOPMENT

The Group, aiming to restart to the path of "Sustained growth with steadily higher profit", is anticipating customers' requirements through strict benchmarking and "Imagination", and promoting R&D activities to provide products that lead to new trends in the market.

In a severe economic situation, the Group reduced R&D expenditures by 13% against FY2008, under the "Action Programs to Improve Profitability" announced in January 2009. As it did so, the Group selected areas for investment under the following three criteria:

1) Company-wide staff division for R&D undertook research into technologies with the potential to become the basis for innovative products, focusing on megatrends (anticipated business opportunities in the field of vital and healthcare services, such as demands for energy and environmental technologies in emerging countries and demands for medical care and education, and in the field of ICT (Information and communications technology) with the basis of worldwide trends to digitalization, networking and transfers of huge volumes of information);
2) R&D facilities of the in-house companies and the Group companies focused on developing essential technologies for application in brand new products ahead of other companies; and
3) the Group enhanced the efficiency of R&D activities by promoting common platforms, using overseas subsidiaries for software developing and focusing on growing markets.

The Group's overall R&D expenditures reached 310.7 billion yen in the fiscal year ended March 31, 2010. Expenditures for each business segment were as follows:

	Billions of yen
Digital Products	68.6
Electronic Devices	143.8
Social Infrastructure	84.8
Home Appliances	13.2
Others	0.3

CAPITAL EXPENDITURES

CAPITAL EXPENDITURE OVERVIEW

The Group, aiming to restart to the path of "Sustained growth with steadily higher profit", held up basic investment strategy focusing on 1) Memories business for enhancing competition, 2) Power Systems & Industrial Systems business and 3) New business. Because the Group curbed capital investment and selected projects carefully, overall capital investments in FY2009 (based on the value of orders placed and including intangible assets; the same hereinafter) are 209.7 billion yen, which was reduced by 212.8 billion yen from those of FY2008. In the Electronic Devices segment, the Group reduced parts of investment plans in view of market trends. At the same time, however, the Group focused on investment for finer lithography of NAND flash memories for the purpose of enhancement of its competitiveness. As a result, the capital investment in this segment was reduced by 162.9 billion yen from that of FY2008. In the Social Infrastructure segment, the Group maintained the amount of investment in this area at the same level of FY2008, focusing on the nuclear energy business and new businesses such as new type rechargeable battery.

In the meantime, as the Group carefully selected the areas of investments, the above capital investment was further reduced by 40.3 billion yen from the initial capital investment plan of 250.0 billion yen.

This capital amount includes the Group's portion of the investments made by Flash Alliance, Ltd. and others, which are companies accounted for by the equity method.

In the Digital Products segment, capital investments totaling 18.5 billion yen were channeled into development and manufacturing for PCs, imaging products and HDDs.

In the Electronic Devices segment, capital investments of 85.6 billion yen (including 38.9 billion yen, which is the Group's portion of the investments made by Flash Alliance, Ltd., and others, which are companies accounted for by the equity method) were mainly directed at manufacturing and development of semiconductor products and manufacturing of LCDs. Major projects completed by the Group in this fiscal year included manufacturing facilities for NAND flash memory (at the Yokkaichi Operations). In the Social Infrastructure segment, capital investments of 82.0 billion yen were made in areas that included enhancement and renewal of infrastructure for manufacturing. Major projects completed by the Group in this fiscal year included building for development and design of nuclear power generation equipment (at the Isogo Nuclear Engineering Center).

In the Home Appliances segment, 10.2 billion yen was invested for to development of new models and manufacturing. Capital expenditures in the Others segment totaled 13.4 billion yen.

PLANS FOR CONSTRUCTING NEW FACILITIES AND RETIRING EXISTING FACILITIES

At the end of this fiscal year ending March 31, 2010, investment in new facilities and equipment upgrades in FY2010 is projected to total 320.0 billion yen (based on the value of orders placed and including intangible assets; hereinafter the same). This figure includes the Group's portion of the investment made by Flash Alliance, Ltd. and others, which are companies accounted for by the equity method. The funds for capital expenditures will be financed by the equity finance and internal funds. The funds raised by the equity finance are the proceeds from the public offering on June 3, 2009 (including the sale of shares to international investors) and the capital increase by way of third-party allotment on June 23, 2009.

billions of yen (As of March 31, 2010)

Business Segment	Planned Capital Investments for FY2010	Major Contents and Purposes
Digital Products	33.0	Manufacturing facilities for HDDs, etc.
Electronic Devices	166.0	Manufacturing facilities for NAND flash memories, etc.
Social Infrastructures	77.0	Expansion of investment for nuclear power business, enhancement of distribution system for the emerging economies and manufacturing facilities for new type rechargeable battery, etc.
Home Appliances	15.0	Manufacturing facilities for new lighting, etc.
Others	29.0	–
Total	320.0	–

Notes: 1) Consumption taxes are not included in these capital investment plans.
2) Retiring material facilities is not planned except for routine renewal of facilities.
3) The major planned new facilities and equipment upgrades in FY2010 are as follows:

(As of March 31, 2010)

Name of Company and Office	Place	Business Segment	Type of Facility	Planned Beginning	Capacity Improvement after Completion of Construction
Yokkaichi Operations of Toshiba	Yokkaichi, Mie	Electronic Devices	Manufacturing facilities for semiconductors	April 2010	300mm finer lithography, etc.
Flash Alliance, Ltd., and others	Yokkaichi, Mie	Electronic Devices	Manufacturing facilities for semiconductors	April 2010	300mm finer lithography, etc.

FINANCIAL POSITION

Total assets increased by 28.4 billion yen from the end of March 2009 to 5,463.7 billion yen.

Equity attributable to shareholders of Toshiba Corporation, increased to 705.9 billion yen, an increase of 320.7 billion yen from the end of March 2009. This reflects the capital increase from a June 2009 public offering, as well as an improvement in accumulated other comprehensive income (loss) of 58.6 billion yen due to gains on recovery in the stock market prices.

Total debt decreased by 593.7 billion yen from the end of March 2009 to 1,218.3 billion yen.

As a result of the foregoing, the shareholders' equity ratio at the end of March 2010 was 12.9%, a 5.8-point improvement from the end of March 2009, and the debt-to-equity ratio at the end of March 2010 was 173%, a 297-point improvement from the end of March 2009.

CASH FLOWS

In the fiscal year under review, net cash provided by operating activities amounted to 453.7 billion yen, an increase of 471.1 billion yen from net cash used in operating activities of 17.4 billion yen in the previous fiscal year. Net cash provided by operating activities increased because of a large improvement in net loss attributable to Toshiba Corporation.

Net cash used in investing activities amounted to 252.9 billion yen, a decrease of 82.4 billion yen from 335.3 billion yen in the previous fiscal year. This was mainly due to decreased capital investments in the semiconductor business.

As a result of the foregoing, free cash flow amounted to 200.8 billion yen, an increase of 553.5 billion yen from minus 352.7 billion yen in the previous fiscal year.

Net cash used in financing activities amounted to 280.2 billion yen compared with 479.8 billion yen in net cash provided by financing activities in the previous fiscal year. This was mainly due to a reduction of short-term borrowings through the reinforcement of cash flow management.

The effect of exchange rate changes was to increase cash by 3.0 billion yen. Cash and cash equivalents at the end of the fiscal year declined 76.4 billion yen from 343.8 billion yen the end of the previous fiscal year, to 267.4 billion yen.

TREASURY STOCK

Shares held as of the closing date of last period:			1,910,852 (common stock)
Shares acquired during the period:	Demand for purchase of shares less than one unit from shareholders		311,688 (common stock)
		Aggregate amount of acquisition costs:	132 (million yen)
Shares disposed during the period:	Demand for sale of shares less than one unit from shareholders		61,554 (common stock)
		Aggregate amount of sales value:	22 (million yen)
Shares held as of the closing date of this period:			2,160,986 (common stock)

MAJOR SUBSIDIARIES AND AFFILIATED COMPANIES

As of March 31, 2010

Name of Company	Voting Rights Ratio (Percentage)	Location
Toshiba TEC Corporation	52.9	Shinagawa-ku, Tokyo
Toshiba Mobile Display Co., Ltd.	100.0	Fukaya
Toshiba Plant Systems & Services Corporation	61.6	Ota-ku, Tokyo
Toshiba Elevator and Building Systems Corporation	80.0	Shinagawa-ku, Tokyo
Toshiba Solutions Corporation	100.0	Minato-ku, Tokyo
Toshiba Medical Systems Corporation	100.0	Otawara
Toshiba Nuclear Energy Holdings (US) Inc.	67.0	U.S.
Toshiba Nuclear Energy Holdings (UK) Ltd.	67.0	U.K.
Toshiba Consumer Electronics Holdings Corporation	100.0	Chiyoda-ku, Tokyo
Toshiba America, Inc.	100.0	U.S.
Toshiba Capital (Asia) Ltd.	100.0	Singapore
Taiwan Toshiba International Procurement Corporation	100.0	Taiwan

Notes: 1) The Company has 542 consolidated subsidiaries (including the above 12 companies) in accordance with Generally Accepted Accounting Standards in the U.S., and 200 affiliated companies accounted for by the equity method. The main affiliated companies accounted for by the equity method are Ikegami Tsushinki Co., Ltd., Shibaura Mechatronics Corporation, Toshiba Machine Co., Ltd., and Topcon Corporation.
2) Toshiba Nuclear Energy Holdings (US) Inc. substantially owns all of the equity of Westinghouse Electric Company L.L.C.

MAIN PLACES OF BUSINESS AND FACILITIES OF THE COMPANY

As of March 31, 2010

Segment	Major Distribution	
Company-wide	Offices	Principal Office (Minato-ku, Tokyo), Hokkaido Branch Office (Sapporo), Tohoku Branch Office (Sendai), Shutoken Branch Office (Saitama), South-Shutoken Branch Office (Yokohama), Hokuriku Branch Office (Toyama), Chubu Branch Office (Nagoya), Kansai Branch Office (Osaka), Chugoku Branch Office (Hiroshima), Shikoku Branch Office (Takamatsu), Kyushu Branch Office (Fukuoka)
	Laboratories and others	Corporate Research & Development Center (Kawasaki), Software Engineering Center (Kawasaki), Corporate Manufacturing Engineering Center (Yokohama), Yokohama Complex (Yokohama), Himeji Operations (Himeji)
Digital Products	Laboratories	Core Technology Center (Ome), PC Development Center (Ome)
	Production Facilities	Fukaya Operations (Fukaya), Ome Complex (Ome), Hino Operations (Hino)
Electronic Devices	Laboratories	Center For Semiconductor Research & Development (Yokohama)
	Production Facilities	Microelectronics Center (Kawasaki), Yokkaichi Operations (Yokkaichi), Kitakyushu Operations (Kitakyushu), Oita Operations (Oita)
Social Infrastructure	Laboratories	Power and Industrial Systems Research and Development Center (Yokohama), Isogo Nuclear Engineering Center (Yokohama)
	Production Facilities	Fuchu Complex (Fuchu, Tokyo), Komukai Operations (Kawasaki), Hamakawasaki Operations (Kawasaki), Keihin Product Operations (Yokohama), Mie Operations (Asahi-Cho, Mie)

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RISK FACTORS RELATING TO THE TOSHIBA GROUP AND ITS BUSINESS

The business areas of energy and electronics, the Group's main business areas, require highly advanced technology for their operation. At the same time, the Group faces fierce global competition. Therefore, appropriate risk management is indispensable. Major risk factors related to the Group identified by the Company are described below. The actual occurrence of any of those risk factors may adversely affect the Group's operating results and financial condition.

The risks described below are identified by the Group based on information available to the Group as of June 23, 2010 and involve uncertainties. Therefore the actual impacts of such risks on the Group's business may differ. The Group makes every effort to minimize any impact from these risks by maintaining an effective risk management.

1. Risks related to management policy

(1) Strategic concentrated investment

The Group makes strategic, concentrated investments in nuclear and other power and industrial systems businesses, in NAND Flash memories, and in new, strong and promising businesses, such as vital needs support and healthcare businesses; water system solutions; smart grids; storage devices; solar photovoltaic systems; new lighting systems, such as LED, SCiB™, and smart facilities. In such areas as LCDs and System LSIs, the Group is also executing restructuring and selective allocations of resources. While it is essential to allocate limited management resources to strategic, high growth areas in which the Group enjoys competitiveness, in order to secure and maintain the Group's advantages, the areas in which the Company makes concentrated investments may not grow as anticipated, the Group may not maintain or strengthen its competitive power in such areas, or the relevant investments may not generate the anticipated level of profit. In order to avoid such risks, the Group is conscious of capital costs and the need to conduct careful selection of investment items and to enhance progress management. Alongside these efforts, the Group also aims to achieve growth through allocation of strategic resources and to reinforce its financial base by means of thorough implementation of management of comprehensive investments that reflect the nature of each individual business. Further to this, the Group also makes every effort to utilize external resources through strategic business alliances where necessary.

(2) Success of strategic business alliances and acquisitions

The Group actively promotes business alliances with other companies, including the formation of joint ventures and acquisitions, in order to grow new businesses in research, development, production, marketing and various other areas. If the Group has any disagreement with its partner in a business alliance or an acquisition in respect of financing, technological management, product development, management strategies or otherwise, such business alliance may be terminated or such acquisition may not have the expected effects. In addition, the Group's operating results and financial condition may be adversely affected by additional capital expenditures and guarantees to meet the obligations for such partnership business that may be incurred due to the deterioration of the financial condition of the partner, as well as for other reasons. Based on these assumptions, the Group pays careful attention to optimizing business formation to secure correspondence to the nature of the relevant business.

(3) Business structure reformation

The Group as a whole is taking measures to reform the structure of poorly performing businesses including acceleration of strategic allocations of resources and development of a profit-making system that enables the Group to generate profit regardless of the market situation. With implementing those programs, restructuring these programs are well under way as a result of steady implementation of planned measures, and their progress is followed up in monthly meetings of management. As a result, the Group has achieved an improvement in profit earlier than initially planned. However, if, in future, such programs do not proceed as scheduled, or fail to produce the expected results, or otherwise result in unexpected adverse effects, the Group's operating results or financial condition may be affected.

(4) Measure for defense against takeover

The Company has introduced a plan outlining countermeasures that may be taken against any large-scale acquisitions of the Company's shares (the "Takeover Defense Measures"). If an entity making a large-scale acquisition of the Company's shares does not comply with the procedures under the Takeover Defense Measures, the Company will counteract by making a *gratis* allotment of stock acquisition rights (*shinkabu yoyakuken*) under the Takeover Defense Measures. Although such Takeover Defense Measures were introduced for the purpose of protecting and enhancing the corporate value of the Company and the common interests of its shareholders, they may limit the opportunities for the shareholders of the Company to sell their shares to hostile acquirers.

2. Risks related to financial condition, results of operations and cash flow

(1) Business environment of the Digital Products business

The market for the Digital Products business is intensely competitive, with many companies manufacturing and selling products similar to those offered by the Group. Additionally, this business may be heavily affected by economic fluctuations and consumer spending trends, and decreases in demand may cause declines in product prices. On the other hand, in times of rapid increases in demand, the Group's profit may be reduced due to the need to purchase costly parts and components, and a shortage of these parts and components may hinder the Group's ability to supply products to the market in a timely manner. The Group makes every effort to implement this business, monitoring the latest market trends in order to flexibly meet changes in supply and demand conditions and to thoroughly control production, procurement, sales and inventory (PSI). At the same time, the Group makes every effort to avoid risks and reduce costs in connection with the procurement of parts and components by promoting package procurement and comprehensive procurement on a Group-wide basis. The Group also makes every effort to minimize any impact from changes in the market by undertaking regional strategies for the promotion of business expansion and similar purposes in developing nations, including China, where its growth rate remains comparatively high in a fast changing market, and by appropriately revising the composition of products, such as introducing commoditized products that deliver the required functionality and strong cost competitiveness. However, any rapid fluctuation in demand may result in price erosion or increases in prices of components, which may adversely affect the Group's financial results with respect to this business.

(2) Business environment of the Electronic Devices business

The market for the Electronic Devices business is highly cyclical, depending on demand, and intensely competitive, with many companies, mainly in overseas markets, manufacturing and selling products similar to those offered by the Group. The results of this business tend to change with economic fluctuations and, in particular, to be heavily affected by exchange rate fluctuations. Although the Group has secured substantial cost reductions, including reductions in fixed costs, through the strong implementation of restructuring programs, and operating income in Semiconductor business saw a significant improvement and returned to profit, unforeseen market changes and corresponding changes in demand may result in a mismatch between the production of particular products based on the sales volume initially expected and the actual demand for such products, or cause the business to be adversely affected by a decrease in product prices due to oversupply. In particular, the price for NAND Flash memories, the Group's major product in this business, may undergo rapid change, although the price was stable in FY2009, and System LSIs and other semiconductor products also face uncertain future market trends, in spite of gradual recovery in the consumer market for digital products that use semiconductors. The movement of the consumer market may influence demand for semiconductors. Fluctuations in the results of this business may materially affect the Group's overall business performance. In addition, the market may face a downturn, the Group may fail to market new products in a timely manner, or a rapid introduction of new technology may make the Group's current products obsolete. Economies of scale with respect to the manufacture of the many products produced by this business are significant and there is intense competition to develop and market new products. Therefore, significant levels of capital expenditures are required to maintain and improve competitiveness in both the price and quality of products.

The Group makes every effort to implement the business by focusing its attention on these factors and promoting strategic allocation of resources. At the same time, the Group makes every effort to increase profits by enhancing cost competitiveness, which is achieved by maintaining a technological advantage and expanding the product line-up.

Additionally, the Group undertakes rigorous selection in its investments and makes every effort to carefully monitor the latest market trends and to invest at the optimum level, while thoroughly controlling flexible production that corresponds to fluctuations in market demand, adjustment of supplies and investment management. The Group promotes procurement of components from overseas in US dollars in order to mitigate the impact of exchange rate fluctuations.

In addition, Toshiba Mobile Display Co., Ltd., which engages in the LCD business, remains in a situation in which its liabilities exceed its assets, and operates in a tight business environment in which it must deal with shifting exchange rates and price declines. The Group aims to regain profitability by implementing business structure reformation programs, with a primary emphasis on LCD displays for mobile equipment that requires leading-edge technologies.

(3) Business environment of the Social Infrastructure business

A significant portion of net sales in the Social Infrastructure business is attributable to national and local government expenditures on public works and to capital expenditures by the private sector. The Group monitors trends in such capital expenditures, and also makes best efforts to cultivate new business and customers, in order to avoid undue impact from any fluctuations. However, reductions and delays in spending on public works, low levels of private capital expenditures due to economic recession, and exchange rate fluctuations may have a negative impact on this business.

Furthermore, this business involves the supply of products and services for large-scale, long-term projects on a worldwide basis. Post-order changes in the specifications or other terms, delays, appreciation of material costs, policy changes, changes to and stoppages of plans for various reasons, as well and natural and other disasters and other factors, may adversely and substantially affect the progress of such projects. In addition, when the percentage of completion method is applied to revenue recognition for long term construction contracts, the Group may reassess expected costs and profits and record previously accrued profits as a loss, in the event that the expected profits from such projects do not meet original expectations or projects are delayed or cancelled. Furthermore, it may not be possible to pass on to the customer or others any additional costs incurred due to delays in the work process, and such costs may not be collected. In order to deal with such cases, the Group makes every effort to grasp trends in markets and projects and to ensure risk management before and after accepting orders. In addition, whenever possible, the Group makes every effort to appropriately avoid risk by making agreements with customers for advance payment or performance payments, as well as other agreements on supplemental payments in the event of changes in specifications and delays in work.

(4) Business environment of the Home Appliances business

The Home Appliances business faces intense competition from many companies manufacturing and selling products similar to those offered by the Group. In addition, the results of this business tend to be strongly affected by consumer spending, the emergence of new technologies and price declines in existing products for industrial light sources, and trends in building and housing construction starts relative to the lighting and air-conditioning businesses. Accordingly, the impact of the recession and price declines may lead to a deterioration in the results of this business. Given this, the Group is making every effort to expand this business by developing it at the global level, including in developing nations that have a high growth rate, as well as developing new products that are environmentally friendly and that contribute to energy saving, such as new lighting systems.

(5) Financial covenants

Loan agreements entered into between the Company and financial institutions provide for financial covenants. Therefore, if the Company's consolidated net assets or credit rating falls below the respective levels provided for in the financial covenants, the Company's obligations with respect to relevant loan repayments may be accelerated upon request from the relevant lending financial institutions. Furthermore, any breach by the Company of such financial covenants may trigger acceleration of the bonds or other borrowings of the Company.

The Company aims to improve business performance by further promoting restructuring programs and the transformation of its business structures, and intends to continue to take all measures necessary to avoid breaches of its financial covenants and any consequent acceleration by improving its earnings through implementation of the "Action Programs to Improve Profitability." The Company is making efforts to obtain understanding of this by the financial institutions with which it has agreements. However, any acceleration of the Company's loan repayments may materially affect the Company's financial condition and business operations.

(6) Financial risk

Apart from being affected by the business operations of the Company or the Group, the Company's consolidated and non-consolidated results and financial condition may be affected by the following major financial factors:

(i) Deferred tax assets

The Company accounted for a substantial amount of deferred tax assets. The Group reduces deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Recording of valuation allowances includes estimates and therefore involves uncertainty.

The Group may be required hereafter to record further valuation allowances, and the Group's future results and financial condition may be adversely affected thereby.

(ii) Exchange rate fluctuations

The Group conducts business in various regions worldwide using a variety of foreign currencies and is therefore exposed to exchange rate fluctuations. Foreign currency denominated assets and liabilities held by the Group are translated into yen as the currency for reporting consolidated financial results. The effects of currency translation adjustments are included in "accumulated other comprehensive income (loss)" reported as a component of equity attributable to shareholders of Toshiba Corporation. As a result, the Group's equity attributable to shareholders of Toshiba Corporation may be affected by exchange rate fluctuations.

(iii) Accrued pension and severance costs

The Group recognizes the funded status (i.e., the difference between the fair value of plan assets and the benefit obligations) of its pension plan in the consolidated statements of income with a corresponding adjustment, net of tax, included in "accumulated other comprehensive income (loss)" reported as a component of equity attributable to shareholders of Toshiba Corporation. Such adjustment to "accumulated other comprehensive income (loss)" represents the result of adjustment for the net unrecognized actuarial losses, unrecognized prior service costs, and unrecognized transition obligations. These amounts will be subsequently recognized as net periodic pension and severance costs pursuant to the applicable accounting standards. The funded status of the Group's pension plan may deteriorate due to declines in the fair value of plan assets caused by lower returns, increases of severance benefit obligations caused by changes in the discount rate, salary increase rates or other actuarial assumptions. As a result, the Group's equity attributable to shareholders of Toshiba Corporation may be adversely affected, and the net periodic pension and severance costs to be recorded in "cost of sales" or "selling, general and administrative expenses" may increase.

(iv) Impairment of long-lived assets and goodwill

If events or changes in circumstances indicate that the carrying amount of any long-lived asset will not be recovered by the future undiscounted cash flow, the loss is recognized as an impairment, and the impairment loss is recognized as the amount by which the carrying value of the asset exceeds its fair value. A substantial amount of goodwill has been recorded in the Company's consolidated balance sheet in accordance with U.S. GAAP. Goodwill is required to be tested for impairment annually. If an impairment test shows that the total of the carrying amounts, including goodwill, in relation to the business related to such goodwill exceeds its fair value, the relevant goodwill must be recalculated, and the balance of the current amount and the recalculated amount will be recognized as an impairment. Therefore, additional impairments may be recorded, depending on the valuation of long-lived assets and the estimate of future cash flow from business with goodwill.

(7) Changes in financing environment and others

The Group has substantial amounts of interest-bearing debt for financing that is highly susceptible to market environments, including interest rate movements and fund supply and demand. Thus, changes in these factors may have an adverse effect on the Group's funding activities. The Group has also been raising funds by issuing bonds or taking loans from financial institutions. There can be no assurance that the Group will obtain refinancing loans or new loans in the future on similar terms. If the Group is unable to obtain loans for the necessary amount in a timely manner, the Group's financing may be adversely affected.

3. Risks related to business partners and others

(1) Procurement of components and materials

It is important for the Group's business activities to procure materials, components and other goods in a timely and appropriate manner. However, such materials, components and goods may only be obtainable from a limited number of suppliers due to the particularity of such materials, components and goods and therefore may not be easily replaced if the need to do so arises. In cases of delay or other problems in receiving supply of such materials, components and other goods, shortages may occur or procurement costs may rise. It is necessary to procure materials, components and other goods at competitive costs and to optimize the entire supply chain, including suppliers, in order for the Group to bring competitive products to market. Any failure by the Group to procure such materials, components and other goods from key suppliers may impact the Group's competitiveness. Furthermore, any case of defective materials, components or other goods, or any failure to meet required specifications with respect to such materials, components or other goods, may also have an adverse effect on the reliability and reputation of the Group and Toshiba brand products.

In order to deal with such situations, the Group makes every effort to avoid risks by promoting multi-vendor procurement by means of adopting standard products, developing and cultivating new suppliers, and engaging in comprehensive procurement on a Group-wide basis, in addition to ensuring acquisition of materials, components and other goods through enhanced cooperation with key suppliers.

(2) Securing human resources

A large part of the success of the Group's businesses depends on securing excellent human resources in every business area and process, including product development, production, marketing and business management. In particular, securing the necessary human resources is essential in respect of achieving globalization of the Group's businesses. However, competition to secure human resources is intensifying, as the number of qualified personnel in each area and process is limited, while demand for such personnel is increasing. As a result, the Group may fail to retain existing employees or to obtain new human resources. The Group will further reinforce educational programs for employees, toward developing human resources, including nurturing personnel able to support and promote business globalization.

In order to reduce fixed costs, the Group is implementing personnel measures, including the reallocation of human resources to focus on strong and promising businesses, reclaiming jobs that are outsourced to third parties or conducted by limited-term employees, reducing the number of limited-term workers, implementing a leave system, and reducing overtime through a review of working systems. However, fixed costs may not be reduced as anticipated or the implementation of such personnel measures may adversely affect the Group's employee morale, production efficiency or the ability to secure capable human resources.

4. Risks related to products and technologies

(1) Investments in new businesses

The Group invests in companies involved in new businesses, enters into alliances with other companies with respect to new businesses, and actively develops its own new businesses.

The Group is now accelerating expansion of new growth businesses that can take advantage of a synergy of the Group's strengths in areas that include vital needs support and healthcare businesses, water system solutions, smart grids, storage devices, solar photovoltaic systems, new lighting systems, such as LEDs and SCiB™.

The Group is also seeking to expand its smart facilities business, which provides total building solutions for office and commercial facilities. The business delivers environmentally and user friendly systems that reduce power consumption by exploiting a synergy of technologies for new businesses in combination with existing technologies.

The Group is actively engaged in research and development to cultivate new business domains and fields based on next-generation technologies, such as silicon carbide (SiC) semiconductors and new memory devices, both of which are expected to become next generation growth areas.

Cultivation of new businesses entails substantial uncertainty, and if any new business in which the Group invests or which the Group attempts to develop does not progress as planned, the Group may be adversely affected by incurring investment expenses that do not lead to the anticipated results. In order to avoid these risks, the Group makes every effort to resolve various technological issues and to develop and capture potential demand effectively in the business development process.

5. Risks related to trade practices

(1) Parent company's guaranty

When a subsidiary of the Company accepts an order for a large project, such as a plant, the Company, as the parent company, may, at the request of the customer, provide guarantees with respect to the subsidiary's performance under the contract. Such guarantees are made pursuant to standard business practices and in the ordinary course of business. If the subsidiary subsequently fails to fulfill its obligations, the Company may be obligated to bear the resulting loss. The Company makes every effort to conduct appropriate management by periodically observing the subsidiaries' fulfillment of the contract requirements and by providing cooperation where necessary.

6. Risks related to new products and new technology

(1) Development of new products

It is critically important for the Group to offer the market viable and innovative new products and services. The Group identifies strategic product areas, which include product areas that are expected to drive future profits, and the Group makes its best efforts to assure the timely introduction of new products in such areas. However, due to the rapid pace of technological innovation, the development of new technologies, the launch of products to replace current ones, and changes in technological standards, the optimum introduction of new products to the market may not be accomplished, or new products may be accepted by the market for a shorter period than anticipated. In addition, any failure on the part of the Group to obtain sufficient funding and resources for continuous product development may affect the Group's ability to develop new products and services and to introduce them to market.

From the viewpoint of enhancing concentration and selection of managerial resources, the Group now selects research and development themes more rigorously, with a primary focus on developing original and advanced technologies, with close consideration for the timing of market introduction. More rigorous selection of research and development items may impair the Group's technological superiority in certain products and technological fields. In order to avoid these risks, the Group intends to enhance the efficiency of research and development activities by sharing intellectual property through the promotion of common platforms and using overseas resources more efficiently in system development.

7. Risks related to laws and regulations

(1) Information security

The Group maintains and manages personal information obtained through business operations, as well as trade secrets regarding the Group's technology, marketing and other business operations. Even though the Group makes every effort to manage this information appropriately, the Group's business performance and financial situation may be subject to negative influences in the event of an unanticipated leak of such information and such information is obtained and used illegally by a third party.

Additionally, the role of information systems in the Group is critical to carrying out business activities. While the Group makes every effort to ensure the stable operation of its information systems, it is possible that their functionality could be impaired or destroyed by computer viruses, software or hardware failures, disaster, terrorism, or other causes.

(2) Compliance and internal control

The Group is active in various businesses in regions worldwide, and its business activities are subject to the laws and regulations of each region. The Group has implemented and operates necessary and appropriate internal control systems for a number of purposes, including compliance with laws and regulations and strict reporting of business and financial matters. However, there can be no assurance that the Group will always be able to structure and operate effective internal control systems. Furthermore, such internal control systems may themselves, by their nature, have limitations, and it is not possible to guarantee that they will fully achieve their objectives. Therefore, there is a possibility that the Group will unknowingly and unintentionally violate laws and regulations in future. Changes in laws and regulations or changes in interpretations of laws and regulations by the relevant authorities may also cause difficulty in achieving compliance with laws and regulations or may result in increased compliance costs. On these grounds, the Group makes every effort to minimize these risks by making periodic revisions to the internal control systems, continuously monitoring operations, and so forth.

(3) The environment

The Group is subject to various environmental laws, including laws on air pollution, water pollution, toxic substances, waste disposal, product recycling, prevention of global warming and energy policies, in its global business activities. While the Group pays careful attention to these laws and regulations, it is possible that the Group may encounter legal or social liability for environmental matters, such as liability for the clean up of land at manufacturing bases throughout the world, regardless of whether the Group is at fault or not, with respect to its past, present or future business activities. It is also possible that, in future, the Group will face more stringent requirements on the removal of environmental hazards, including toxic substances, or on further reducing emissions of greenhouse gases, as a result of the introduction of more demanding environmental regulations or in accordance with societal requirements.

The Group's operations require the use of various chemical compounds, radioactive materials, nuclear materials and other toxic materials. The Group takes maximum care of such materials, giving first priority to human life and safety. However, the Group may incur damage, or the Group's reputation may be adversely affected, as a result of a natural disaster, the threat or occurrence of a terrorist incident, or of an accident or other contingency (including those beyond the Group's control) that leads to environmental pollution.

(4) Product quality claims

While the Group makes every effort to implement quality control measures and to manufacture its products in accordance with appropriate quality-control standards, there can be no assurance that all products are free of defects that may result in a recall, lawsuits or other claims relating to product quality.

8. Risks related to material legal proceedings

(1) Legal proceedings

The Group undertakes global business operations and is involved from time to time in disputes, including lawsuits and other legal proceedings, and investigations by relevant authorities. It is possible that such cases may arise in the future. Due to the differences in judicial systems and the uncertainties inherent in such proceedings, the Group may be subject to a ruling requiring payment of amounts far exceeding its expectations. Any judgment or decision unfavorable to the Group could also have a material adverse effect on the Group's business, operating results or financial condition. In addition, due to various circumstances, there can be no assurance that lawsuits involving claims for large sums will not be brought, even if the possibility of receiving orders for such payment is quite low.

In January 2007, the European Commission (the "Commission") adopted a decision imposing fines on 19 companies, including the Company, for violating EU competition laws in the gas insulated switchgear market. The Company was individually fined EUR86.25 million and was also fined EUR4.65 million jointly and severally with Mitsubishi Electric Corporation. The Company contends that it did not violate EU competition laws and appealed the decision to the European Court of First Instance in April 2007.

Furthermore, with regard to alleged anti-competitive behavior, the Group is under investigation by the US Department of Justice, the Commission, and other authorities, for alleged violations of competition laws with respect to products that include semiconductors, LCD products, cathode ray tubes (CRT), heavy electrical equipment, and optical disc devices. Class action lawsuits with respect to alleged anti-competitive behavior have been brought against the Group in the United States and are currently pending.

9. Risks related to directors, employees, major shareholders and affiliates

(1) Alliance in NAND flash memories

The Group has a strategic alliance with a U.S. company, SanDisk Corporation ("SanDisk"), for the production of NAND flash memories, which includes production joint ventures (equity method affiliates). Under the joint venture agreement, the Group may purchase SanDisk's ownership interests in the production joint ventures at book value. In addition, the Company and SanDisk each provide a 50% guaranty in respect of the lease agreements of production facilities held by the production joint ventures. In the event that SanDisk's operating results and financial condition deteriorate, the Company may succeed to SanDisk's guaranty obligations or purchase SanDisk's ownership interests in the relevant production joint venture, in which case the production joint ventures will thereafter be treated as consolidated subsidiaries of the Company.

(2) Alliance in nuclear power systems business

The Group acquired Westinghouse group in October 2006. The Company's ownership interest in Westinghouse group (including the holding company) is currently 67%. The remainder is held by three companies in Japan and overseas (the "minority shareholders").

While the shareholders' agreements restrict the minority shareholders from transferring their respective ownership interests in Westinghouse's holding company until October 1, 2012, the minority shareholders have been given an option to sell all or part of their ownership interests to the Company ("Put Options"). However, since exercising the Put Options held by some of the minority shareholders requires consent from a third party, such minority shareholders are not able to exercise their Put Options at their own discretion.

The Group also has an option to purchase from the minority shareholders all or part of their respective ownership interest in Westinghouse's holding company under certain conditions. These options are in place for the purpose of protecting the interests of the minority shareholders and preventing equity participation by a third party which may put the Group at disadvantage. The Company makes every effort to maintain a favorable relationship with the minority shareholders in connection with Westinghouse's business. However in the event that the minority shareholders exercise their respective Put Options, or the Group exercises its purchase option, the Group will seek investment from a new strategic partner. Prior to such an investment, the Group may need to procure substantial funds in connection with the exercise of Put Options or purchase options.

10. Others

(1) Measures against counterfeit products

While the Group protects and seeks to enhance the value of the Toshiba brand, counterfeit products created by third parties are found worldwide. While the Group makes every effort to prevent counterfeit products, the heavy circulation of counterfeit products may dilute the value of the Toshiba brand, and the Group's net sales may be adversely affected.

(2) Protection of intellectual property rights

The Group makes every effort to secure intellectual property rights. However, in some regions, it may not be possible to secure sufficient protection.

The Group also uses the intellectual property of third parties pursuant to licenses. It is possible that the Group may fail to receive the necessary third-party licenses for new technology or is unable to obtain the renewal of existing party licenses or receives them on unfavorable terms.

In addition, it is also possible that a suit or such similar action or proceeding may be brought against the Group in respect of intellectual property rights or that the Group may itself have to file a suit in order to protect its intellectual property rights. Such lawsuits may require time, costs and other management resources. As a result of the outcome of these rulings, the Group may not be able to use important technology, or the Group may be found to be liable for damages.

(3) Political, economic and social conditions

The Group undertakes global business operations. Any changes in political, economic, and social conditions and policies, legal or regulatory changes and exchange rate fluctuations, in Japan or overseas, may impact market demand and the Group's business operations. The Group makes every effort to avoid these risks and to reduce any impact when such risks emerge by continuously monitoring changes in the situation in each region where the Group operates, including legal and regulatory changes, and by promptly initiating countermeasures.

(4) Natural disasters

Most of the Group's Japanese production facilities are located in the Keihin region of Japan, which includes Tokyo, Kawasaki City, Yokohama City and the surrounding area, while key semiconductor production facilities are located in Kyushu, Tokai, Hanshin and Tohoku. The Group is currently expanding its production facilities in Asia. As a result, any occurrence of a wide-scale disaster, terrorism or epidemic illness, such as a new type of flu, in any of these areas could have a significant adverse effect on the Group's results.

Additionally, while the Group takes precautionary measures, such as the construction of earthquake-resistant buildings at production facilities, large-scale disasters, such as earthquakes or typhoons, in regions where production sites are located may damage or destroy production capabilities and cause operational and transportation interruptions or other similar disruptions, which could affect production capabilities significantly.

In order to manage these risks, the Group established the "Business Continuity Plan (BCP)" as part of its continuing effort to avoid or minimize any impact from such disasters.

Consolidated Balance Sheet

Toshiba Corporation and Subsidiaries
As of March 31, 2010

Assets	Millions of yen 2010	2009	Thousands of U.S. dollars (Note 3) 2010
Current assets:			
Cash and cash equivalents	**¥ 267,449**	¥ 343,793	**$ 2,875,796**
Notes and accounts receivable, trade:			
Notes (Note 7)	**44,122**	64,260	**474,430**
Accounts (Note 7)	**1,154,065**	1,027,611	**12,409,301**
Allowance for doubtful notes and accounts	**(20,112)**	(19,270)	**(216,258)**
Inventories (Note 8)	**791,294**	765,580	**8,508,538**
Deferred tax assets (Note 18)	**153,416**	152,378	**1,649,634**
Other receivables	**185,499**	175,711	**1,994,613**
Prepaid expenses and other current assets (Note 21)	**191,563**	218,379	**2,059,817**
Total current assets	**2,767,296**	2,728,442	**29,755,871**
Long-term receivables and investments:			
Long-term receivables (Note 7)	**3,337**	3,987	**35,882**
Investments in and advances to affiliates (Note 9)	**366,250**	340,756	**3,938,172**
Marketable securities and other investments (Note 6)	**253,267**	190,110	**2,723,301**
Total long-term receivables and investments	**622,854**	534,853	**6,697,355**
Property, plant and equipment (Notes 11, 17 and 22):			
Land	**102,666**	95,017	**1,103,935**
Buildings	**1,001,274**	985,211	**10,766,387**
Machinery and equipment	**2,493,391**	2,685,788	**26,810,656**
Construction in progress	**95,957**	112,837	**1,031,796**
	3,693,288	3,878,853	**39,712,774**
Less-Accumulated depreciation	**(2,743,716)**	(2,822,214)	**(29,502,322)**
Total property, plant and equipment	**949,572**	1,056,639	**10,210,452**
Other assets: (Note 17)			
Goodwill and other intangible assets (Note 10)	**610,516**	622,302	**6,564,688**
Deferred tax assets (Note 18)	**400,311**	369,884	**4,304,419**
Other assets	**113,165**	123,162	**1,216,828**
Total other assets	**1,123,992**	1,115,348	**12,085,935**
Total assets	**¥ 5,463,714**	¥ 5,435,282	**$ 58,749,613**

The accompanying notes are an integral part of these statements.

Liabilities and equity	Millions of yen 2010	Millions of yen 2009	Thousands of U.S. dollars (Note 3) 2010
Current liabilities:			
Short-term borrowings (Note 11)	**¥ 51,347**	¥ 748,266	**$ 552,118**
Current portion of long-term debt (Notes 11 and 21)	**206,017**	285,913	**2,215,237**
Notes and accounts payable, trade	**1,194,193**	1,003,864	**12,840,785**
Accounts payable, other and accrued expenses (Note 26)	**386,869**	368,669	**4,159,882**
Accrued income and other taxes	**42,384**	37,935	**455,742**
Advance payments received	**317,044**	271,610	**3,409,075**
Other current liabilities (Notes 18, 21 and 24)	**362,575**	385,978	**3,898,656**
Total current liabilities	**2,560,429**	3,102,235	**27,531,495**
Long-term liabilities:			
Long-term debt (Notes 11, 12 and 21)	**960,938**	777,807	**10,332,667**
Accrued pension and severance costs (Note 13)	**717,746**	719,396	**7,717,699**
Other liabilities (Notes 18 and 21)	**189,736**	139,705	**2,040,172**
Total long-term liabilities	**1,868,420**	1,636,908	**20,090,538**
Total liabilities	**¥ 4,428,849**	¥ 4,739,143	**$ 47,622,033**
Equity attributable to shareholders of Toshiba Corporation (Notes 12 and 19):			
Common stock:			
Authorized-10,000,000,000 shares Issued:			
2010-4,237,602,026 shares	**¥ 439,901**	¥ –	**$ 4,730,118**
2009-3,237,602,026 shares	**–**	280,281	**–**
Additional paid-in capital	**447,732**	291,137	**4,814,323**
Retained earnings	**278,846**	332,804	**2,998,344**
Accumulated other comprehensive loss	**(459,244)**	(517,842)	**(4,938,108)**
Treasury stock, at cost:			
2010-2,160,986 shares	**(1,305)**	–	**(14,032)**
2009-1,910,852 shares	**–**	(1,210)	**–**
Total equity attributable to shareholders of Toshiba Corporation	**705,930**	385,170	**7,590,645**
Equity attributable to noncontrolling interests	**328,935**	310,969	**3,536,935**
Total equity	**¥ 1,034,865**	¥ 696,139	**$ 11,127,580**
Commitments and contingent liabilities (Notes 23, 24 and 25)			
Total liabilities and equity	**¥ 5,463,714**	¥ 5,435,282	**$ 58,749,613**

Toshiba Corporation and Subsidiaries
For the years ended March 31, 2010

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2009	**2010**
Sales and other income:			
Net sales	**¥ 6,137,689**	¥ 6,373,020	**$ 65,996,656**
Interest and dividends	**7,587**	18,864	**81,580**
Equity in earnings of affiliates (Note 9)	**22,385**	9,593	**240,699**
Other income (Notes 6, 7, 16 and 21)	**62,356**	146,121	**670,495**
	6,230,017	6,547,598	**66,989,430**
Costs and expenses:			
Cost of sales (Notes 5, 10, 14, 17, 22 and 26)	**4,760,217**	5,185,997	**51,185,129**
Selling, general and administrative (Notes 10, 14, 15 and 22)	**1,305,684**	1,496,214	**14,039,613**
Interest	**35,585**	33,691	**382,634**
Other expense (Notes 6, 7, 16, 17 and 21)	**142,873**	167,755	**1,536,269**
	6,244,359	6,883,657	**67,143,645**
Loss from continuing operations, before income taxes and noncontrolling interests	**(14,342)**	(336,059)	**(154,215)**
Income taxes (Note 18):			
Current	**51,666**	51,029	**555,548**
Deferred	**(26,877)**	(9,628)	**(289,000)**
	24,789	41,401	**266,548**
Loss from continuing operations, before noncontrolling interests	**(39,131)**	(377,460)	**(420,763)**
Loss from discontinued operations, before noncontrolling interests (Note 4)	**(938)**	(25,601)	**(10,086)**
Net loss before noncontrolling interests	**(40,069)**	(403,061)	**(430,849)**
Less: Net income (loss) attributable to noncontrolling interests	**13,874**	(4,183)	**149,183**
Net loss attributable to shareholders of Toshiba Corporation	**¥ (53,943)**	¥ (398,878)	**$ (580,032)**

	Yen		U.S. dollars (Note 3)
Basic net losses per share attributable to shareholders of Toshiba Corporation (Note 20)			
Losses from continuing operations	**¥ (12.49)**	¥ (115.62)	**$ (0.13)**
Losses from discontinued operations	**¥ (0.98)**	¥ (7.65)	**$ (0.01)**
Net losses	**¥ (13.47)**	¥ (123.27)	**$ (0.14)**
Diluted net loss per share attributable to shareholders of Toshiba Corporation (Note 20)			
Losses from continuing operations	**¥ (12.49)**	¥ (115.62)	**$ (0.13)**
Losses from discontinued operations	**¥ (0.98)**	¥ (7.65)	**$ (0.01)**
Net losses	**¥ (13.47)**	¥ (123.27)	**$ (0.14)**
Cash dividends per share (Note 19)	**¥ –**	¥ 5.00	**$ –**

The accompanying notes are an integral part of these statements.

Toshiba Corporation and Subsidiaries
For the years ended March 31, 2010

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2009	**2010**
Net loss before noncontrolling interests	**¥ (40,069)**	¥ (403,061)	**$ (430,849)**
Other comprehensive income (loss), net of tax (Note 19)			
Net unrealized gains and losses on securities (Note 6)	**55,397**	(36,278)	**595,667**
Foreign currency translation adjustments	**(16,612)**	(138,362)	**(178,624)**
Pension liability adjustments (Note 13)	**15,399**	(60,237)	**165,581**
Net unrealized gains and losses on derivative instruments (Note 21)	**(285)**	(1,132)	**(3,065)**
Total other comprehensive income (loss)	**53,899**	(236,009)	**579,559**
Comprehensive income (loss) before noncontrolling interests	**13,830**	(639,070)	**148,710**
Less:Comprehensive income attributable to noncontrolling interests	**9,175**	(44,438)	**98,656**
Comprehensive income (loss) attributable to shareholders of the Company	**¥ 4,655**	¥ (594,632)	**$ 50,054**

The accompanying notes are an integral part of these statements.

Toshiba Corporation and Subsidiaries
For the years ended March 31, 2010

	Millions of yen							
	Common stock shares	Additional paid-in capital	Retained earnings	Accumulated other compre-hensive loss	Treasury stock	Equity attributable to shareholders of Toshiba Corporation	Equity attributable to non-controlling interests	Total equity
Balance at March 31, 2008	¥ 280,126	¥ 290,936	¥ 767,450	¥ (322,088)	¥ (1,044)	¥ 1,015,380	¥ 369,331	¥ 1,384,711
Issuance of shares (Notes 12 and 19)	155	155				310		310
Change in ownership for noncontrolling interests and others		46				46	(1,214)	(1,168)
Dividends attributable to shareholders of Toshiba Corporation			(35,592)			(35,592)		(35,592)
Dividends attributable to noncontrolling interests							(12,710)	(12,710)
Comprehensive loss: Net loss			(398,878)			(398,878)	(4,183)	(403,061)
Other comprehensive loss, net of tax (Note 19):								
Net unrealized gains and losses on securities (Note 6)				(31,822)		(31,822)	(4,456)	(36,278)
Foreign currency translation adjustments				(105,193)		(105,193)	(33,169)	(138,362)
Pension liability adjustments (Note 13)				(57,739)		(57,739)	(2,498)	(60,237)
Net unrealized gains and losses on derivative instruments (Note 21)				(1,000)		(1,000)	(132)	(1,132)
Total comprehensive loss						(594,632)	(44,438)	(639,070)
Purchase of treasury stock, net, at cost			(176)		(166)	(342)		(342)
Balance at March 31, 2009	280,281	291,137	332,804	(517,842)	(1,210)	385,170	310,969	696,139
Issuance of shares (Notes 19)	**159,620**	**157,921**				**317,541**		**317,541**
Change in ownership for noncontrolling interests and others		**(1,326)**				**(1,326)**	**15,885**	**14,559**
Dividends attributable to noncontrolling interests							**(7,094)**	**(7,094)**
Comprehensive income (loss): Net income (loss)			**(53,943)**			**(53,943)**	**13,874**	**(40,069)**
Other comprehensive income (loss), net of tax (Note 19):								
Net unrealized gains and losses on securities (Note 6)				**51,587**		**51,587**	**3,810**	**55,397**
Foreign currency translation adjustments				**(8,511)**		**(8,511)**	**(8,101)**	**(16,612)**
Pension liability adjustments (Note 13)				**15,899**		**15,899**	**(500)**	**15,399**
Net unrealized gains and losses on derivative instruments (Note 21)				**(377)**		**(377)**	**92**	**(285)**
Total comprehensive income						**4,655**	**9,175**	**13,830**
Purchase of treasury stock, net, at cost			**(15)**		**(95)**	**(110)**		**(110)**
Balance at March 31, 2010	**¥ 439,901**	**¥ 447,732**	**¥ 278,846**	**¥ (459,244)**	**¥ (1,305)**	**¥ 705,930**	**¥ 328,935**	**¥ 1,034,865**

	Thousands of U.S. dollars (Note 3)							
	Common stock shares	Additional paid-in capital	Retained earnings	Accumulated other compre-hensive loss	Treasury stock	Equity attributable to shareholders of Toshiba Corporation	Equity attributable to non-controlling interests	Total equity
Balance at March 31, 2009	$ 3,013,774	$ 3,130,505	$ 3,578,537	$ (5,568,194)	$ (13,010)	$ 4,141,612	$ 3,343,753	$ 7,485,365
Issuance of shares (Note 19)	**1,716,344**	**1,698,075**				**3,414,419**		**3,414,419**
Change in ownership for noncontrolling interests and others		**(14,257)**				**(14,257)**	**170,806**	**156,549**
Dividends attributable to noncontrolling interests							**(76,280)**	**(76,280)**
Comprehensive income (loss):								
Net income (loss)			**(580,032)**			**(580,032)**	**149,183**	**(430,849)**
Other comprehensive income (loss), net of tax (Note 19):								
Net unrealized gains and losses on securities (Note 6)				**554,699**		**554,699**	**40,968**	**595,667**
Foreign currency translation adjustments				**(91,516)**		**(91,516)**	**(87,108)**	**(178,624)**
Pension liability adjustments (Note 13)				**170,957**		**170,957**	**(5,376)**	**165,581**
Net unrealized gains and losses on derivative instruments (Note 21)				**(4,054)**		**(4,054)**	**989**	**(3,065)**
Total comprehensive income						**50,054**	**98,656**	**148,710**
Purchase of treasury stock, net, at cost			**(161)**		**(1,022)**	**(1,183)**		**(1,183)**
Balance at March 31, 2010	**$ 4,730,118**	**$ 4,814,323**	**$ 2,998,344**	**$(4,938,108)**	**$ (14,032)**	**$ 7,590,645**	**$ 3,536,935**	**$11,127,580**

The accompanying notes are an integral part of these statements.

Toshiba Corporation and Subsidiaries
For the years ended March 31, 2010

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2010	2009	2010
Cash flows from operating activities			
Net loss before noncontrolling interests	¥ (40,069)	¥ (403,061)	$ (430,849)
Adjustments to reconcile net loss before noncontrolling interests to net cash provided by (used in) operating activities–			
Depreciation and amortization	291,520	349,764	3,134,624
Provisions for pension and severance costs, less payments	3,111	(13,733)	33,451
Deferred income taxes	(31,112)	(26,935)	(334,538)
Equity in (earnings) losses of affiliates, net of dividends	(11,566)	1,218	(124,366)
loss from sales, disposal and impairment of property, plant and equipment and intangible assets, net	33,266	45,380	357,699
(Gain) loss from sales and impairment of securities and other investments, net	7,181	(37,872)	77,215
(Increase) decrease in notes and accounts receivable, trade	(102,808)	173,172	(1,105,462)
(Increase) decrease in inventories	(23,972)	74,224	(257,763)
Increase (decrease) in notes and accounts payable, trade	178,751	(182,501)	1,922,054
Increase (decrease) in accrued income and other taxes	4,382	(52,130)	47,118
Increase in advance payments received	55,065	29,170	592,097
Other	90,006	25,959	967,806
Net cash provided by (used in) operating activities	453,755	(17,345)	4,879,086
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and intangible assets	40,071	214,264	430,871
Proceeds from sale of securities	6,931	4,035	74,527
Acquisition of property, plant and equipment	(215,876)	(477,720)	(2,321,247)
Acquisition of intangible assets	(47,053)	(59,055)	(505,946)
Purchase of securities	(14,316)	(29,609)	(153,935)
(Increase) decrease in investments in affiliates	8,288	(43,399)	89,118
Proceeds from sale of Toshiba Building Co., Ltd. stock	–	79,800	–
Other	(30,967)	(23,624)	(332,979)
Net cash used in investing activities	(252,922)	(335,308)	(2,719,591)
Cash flows from financing activities			
Proceeds from long-term debt	397,181	338,454	4,270,763
Repayment of long-term debt	(304,787)	(275,976)	(3,277,279)
Increase (decrease) in short-term borrowings, net	(680,641)	469,321	(7,318,720)
Proceeds from stock offering	317,541	–	3,414,419
Dividends paid	(5,728)	(50,350)	(61,591)
Purchase of treasury stock, net	(109)	(345)	(1,172)
Other	(3,628)	(1,318)	(39,011)
Net cash provided by (used in) financing activities	(280,171)	479,786	(3,012,591)
Effect of exchange rate changes on cash and cash equivalents	2,994	(31,989)	32,193
Net increase (decrease) in cash and cash equivalents	(76,344)	95,144	(820,903)
Cash and cash equivalents at beginning of year	343,793	248,649	3,696,699
Cash and cash equivalents at end of year	¥ 267,449	¥ 343,793	$ 2,875,796
Supplemental disclosure of cash flow information			
Cash paid during the year for–			
Interest	¥ 31,036	¥ 35,004	$ 333,720
Income taxes	4,487	140,923	48,247
Non-cash financing activities–			
Conversion of convertible bonds	–	310	–
Sale of Toshiba building Co., Ltd. stock–			
Assets sold	–	173,353	–
Liabilities relinquished	–	151,434	–

The accompanying notes are an integral part of these statements.

RESTATEMENT OF PREVIOUSLY ISSUED CONSOLIDATED FINANCIAL STATEMENTS

Because the full text was amended, the text is not underlined.

1) Background

On February 12, 2015, Toshiba Corporation (the "Company") received a report order from the Securities and Exchange Surveillance Commission pursuant to Article 26 of the Financial Instruments and Exchange Act and was subject to a disclosure inspection with respect to some projects in which the percentage-of-completion of accounting method was used, among others. Following that, in the course of a self-investigation by the Company to deal with the issues identified relating to those projects in the disclosure inspection, it was noted that some matters require investigation in respect of accounting treatments for some infrastructure projects of the Company in which the percentage-of-completion method of accounting was used during the fiscal year ended March 31, 2014. Based on this situation, it was decided that the Special Investigation Committee consisting of the Company's internal committee members as well as external attorneys-at-law and certified public accountants would be established as of April 3, 2015, and the Company would of its own accord implement an investigation of the relevant facts. Then the Special Investigation Committee found that, in respect of some infrastructure projects, the total amount of the contract cost was underestimated and Contract Losses (including provisions for contract losses) were not recorded in a timely manner, and also, issues requiring further investigation were identified.

Consequently, the Company decided to shift to the framework of investigation to an Independent Investigation Committee comprising independent and impartial external experts who did not have any interests in the Company as of May 8, 2015. The scope of the investigation delegated to the Independent Investigation Committee covers four matters: (1) accounting treatments in relation to projects in which the percentage-of-completion method was used; (2) accounting treatments in relation to recording of operating expenses in the Visual Products Business; (3) accounting treatments in relation to the valuation of inventory in the Semiconductor Business, mainly discrete and system LSIs; and (4) accounting treatments in relation to parts transactions, etc. in the PC Business. The Company received an investigation report from the Independent Investigation Committee on July 20, 2015.

In parallel with such efforts, the Company and all its consolidated subsidiaries as of March 31, 2015 underwent self-checks with respect to whether or not there was any issue that was not compliant with the accounting standards, internal regulations and other rules or any other inappropriate accounting treatment, and whether or not the Company and its consolidated subsidiaries were aware of any such issue or inappropriate accounting treatment, etc. including minor matters at each quarter-end in the period between the fiscal year ended March 31, 2010 and the fiscal year ended March 31, 2015 and during the period between April 1, 2015 and May 31, 2015.

The Company amended the consolidated financial statements for each fiscal year in the period from the fiscal year ended March 31, 2010 to the fiscal year ended March 31, 2014 and for each quarter (first three months, first six months and first nine months) in the period from the fiscal year ended March 31, 2011 to the fiscal year ended March 31, 2015, to reflect the correction of the events identified in the investigation report of the Independent Investigation Committee stated above and the internal self-checks and the correction of other issues that had not been corrected due to a materiality viewpoint.

In line with the amendment, data in the consolidated financial statements were reclassified for disclosure in connection with discontinued operations, and ASU No. 2011-05 has been applied retrospectively to disclose consolidated statement of comprehensive income. Information on discontinued operations is disclosed in Note 4.

2) Overview

Restatement for the accounting treatment under the percentage-of-completion method

As the result of the above investigations, it was found that in certain infrastructure projects in which the percentage-of-completion of accounting method was used, there were cases where the estimated total cost was not calculated based on the latest information on incurred expenses, where provisions for contract losses were not recorded at the time when generation of losses became evident, and where the estimated total cost was calculated in anticipation of cost reductions which remained unsubstantiated.

To correct these accounting treatments, the Company restated data in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on net sales and income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Restatement for the accounting treatment in relation to recording operating expenses in the Visual Products Business
As the result of the above investigations, it was found that in the Visual Products Business, there were cases where some expenses were not recorded as expenses using the accrual-based method, where profits that should not be realized were recognized by making use of transactions between consolidated group companies, and where discounts in the purchase prices were recognized, for example by reflecting adjustment or increase of the procurement prices for the following periods, even if cost was not actually reduced.

To correct these accounting treatments, the Company restated data in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Restatement for the accounting treatment in the parts transactions in the PC Business
As the result of the above investigations, it was found that in the PC Business, there were cases where inappropriate profits were recognized in each fiscal period for parts transactions with manufacturing subcontractors, as well as cases where some expenses were not recorded as expenses using the accrual-based method and where profits that should not be realized were recognized by making use of transactions between consolidated group companies.

To correct these accounting treatments, the Company restated data in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Restatement for the accounting treatment in relation to valuation of inventory in the Semiconductor Business
As the result of the above investigations, etc., it was found that in the Semiconductor Business, there were cases where valuation losses for work-in-process inventories and others were not recognized until the time of actual disposal of the inventories, and where the book values of term-end intermediate products and term-end completed products were overstated due to the lack of consistency between the front-end and back-end for revision of the standard cost in the standard cost accounting, and consequently cost of goods sold was understated.

To correct these accounting treatments, the Company restated data in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Restatement for the accounting treatment for events identified in self-check and others.
The Company restated data in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years, including events identified in the above self-check and other matters that had not been corrected from the standpoint of materiality. The effect of this restatement on net sales and income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Additional recognition of impairment losses and resulting adjustment to depreciation
Incidental with the above correction of accounting treatments, the Company recognized impairment losses on fixed assets and made a correction of the recognition timing thereof and the resulting adjustment to depreciation for the Visual Products Business, PC Business, discrete and system LSIs businesses of the Semiconductor Business. Consequently, relevant data were restated in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on income from continuing operations, before income taxes and noncontrolling interests, for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

Income taxes
Although the effect of the correction of the above accounting treatments on income taxes for the current fiscal year in the consolidated tax filing group led by the Company and in subsidiaries is insignificant, the Company made adjustments to deferred tax assets and liabilities and reviewed valuation allowances due to a change in temporary differences resulting from the above correction of accounting treatments for prior years. Consequently, relevant data were restated in the consolidated financial statements issued in the fiscal year ended March 31, 2010 and the following years. The effect of this restatement on income taxes for the fiscal years ended March 31, 2010 and 2009 is as stated in 3) below.

3) Summary of effects of restatement

(1) Summary of effects on net sales

The following table shows the effects of the restatement on net sales:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Net sales, as previously reported	**¥ 6,381,599**	¥ 6,654,518	**$ 68,619,344**
Reclassified as discontinued operations	**(251,749)**	(289,718)	**(2,706,978)**
Adjustments:			
Correction of the accounting treatment under the percentage-of-completion method	**(1)**	(3,962)	**(11)**
Correction of the accounting treatment for events identified in self-check and others	**7,840**	12,182	**84,301**
Sub total of adjustments	**7,839**	8,220	**84,290**
Net sales, as restated	**¥ 6,137,689**	¥ 6,373,020	**$ 65,996,656**

(2) Summary of effects on income from continuing operations, before income taxes and noncontrolling interests, income from continuing operations, before noncontrolling interests, income from discontinued operations, before noncontrolling interests, and net income attributable to shareholders of the Company

The following table shows the summary of effects of the restatement on income from continuing operations, before income taxes and noncontrolling interests, income from continuing operations, before noncontrolling interests, income from discontinued operations, before noncontrolling interests, and net income attributable to shareholders of the Company:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Income (loss) from continuing operations, before income taxes and noncontrolling interests, as previously reported	**¥ 24,962**	¥ (279,252)	**$ 268,409**
Reclassified as discontinued operations	**2,192**	19,575	**23,570**
Adjustments:			
Correction of the accounting treatment under the percentage-of-completion method	**131**	(3,617)	**1,408**
Correction of the accounting treatment in relation to recording operating expenses in the Visual Products Business	**(7,800)**	(5,300)	**(83,871)**
Correction of the accounting treatment in the parts transactions in the PC Business	**(28,570)**	(19,787)	**(307,204)**
Correction of the accounting treatment in relation to valuation of inventory in the Semiconductor Business	**(4,356)**	–	**(46,839)**
Correction of the accounting treatment for events identified in self-check and others	**(3,906)**	(5,910)	**(42,000)**
Additional recognition of impairment losses and resulting adjustment to depreciation	**3,005**	(41,768)	**32,312**
Sub total of adjustments	**(41,496)**	(76,382)	**(446,194)**
Loss from continuing operations, before income taxes and noncontrolling interests, as restated	**(14,342)**	(336,059)	**(154,215)**
Income taxes, as previously reported	**29,688**	54,323	**319,226**
Adjustment to income taxes	**(4,899)**	(12,922)	**(52,678)**
Income taxes, as restated	**24,789**	41,401	**266,548**
Loss from continuing operations, before noncontrolling interests, as restated	**(39,131)**	(377,460)	**(420,763)**
Loss from discontinued operations, before noncontrolling interests (net of tax), as previously reported	**(567)**	(13,779)	**(6,097)**
Reclassified as discontinued operations	**(371)**	(11,822)	**(3,989)**
Loss from discontinued operations, before noncontrolling interests (net of tax), as restated	**(938)**	(25,601)	**(10,086)**
Net loss before noncontrolling interests, after reclassification as discontinued operations	**(40,069)**	(403,061)	**(430,849)**
Less: Net income (loss) attributable to noncontrolling interests, as previously reported	**14,450**	(3,795)	**155,376**
Adjustment to: less: net income (loss) attributable to noncontrolling interests	**(576)**	(388)	**(6,193)**
Less: Net income (loss) attributable to noncontrolling interests, as restated	**13,874**	(4,183)	**149,183**
Net loss attributable to shareholders of the Company, as restated	**¥ (53,943)**	¥ (398,878)	**$ (580,032)**

(3) Adjustments to the opening balance of each equity item
The following table shows the summary of adjustments made to the balance of each equity item at the beginning of the fiscal year ended March 31, 2009 as cumulative effects in the fiscal year ended March 31, 2008 and the prior periods. No adjustment is made to common stock and treasury stock, at cost.

	Millions of yen			
	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Equity attributable to noncontrolling interests
March 31, 2008, as previously reported	¥ 290,936	¥ 774,461	¥ (322,214)	¥ 369,911
Adjustments:				
Correction of the accounting treatment under the percentage-of-completion method	–	(3,594)	–	–
Correction of the accounting treatment for events identified in self-check and others	–	(3,626)	126	–
Adjustment to income taxes	–	(371)	–	–
Adjustment to noncontrolling interests	–	580	–	(580)
Sub total of adjustments	–	(7,011)	126	(580)
March 31, 2008, as restated	¥ 290,936	¥ 767,450	¥ (322,088)	¥ 369,331

(4) Summary of effects on consolidated balance sheet
The following table shows the summary of effects of the restatement above on the consolidated balance sheet.

	Millions of yen		
March 31, 2010	Amount as previously reported	Adjustment	Amount as restated
Assets			
Current assets			
Cash and cash equivalents	**¥ 267,449**	**¥ –**	**¥ 267,449**
Notes and accounts receivable, trade	**1,184,399**	**(6,324)**	**1,178,075**
Inventories	**795,601**	**(4,307)**	**791,294**
Deferred tax assets	**134,950**	**18,466**	**153,416**
Other receivables	**187,164**	**(1,665)**	**185,499**
Prepaid expenses and other current assets	**192,043**	**(480)**	**191,563**
Total current assets	**2,761,606**	**5,690**	**2,767,296**
Long-term receivables and investments			
Long-term receivables	**3,337**	**–**	**3,337**
Investments in and advances to affiliates	**366,250**	**–**	**366,250**
Marketable securities and other investments	**253,267**	**–**	**253,267**
Total long-term receivables and investments	**622,854**	**–**	**622,854**
Property, plant and equipment			
Land	**105,663**	**(2,997)**	**102,666**
Buildings	**1,016,520**	**(15,246)**	**1,001,274**
Machinery and equipment	**2,508,934**	**(15,543)**	**2,493,391**
Construction in progress	**97,309**	**(1,352)**	**95,957**
	3,728,426	**(35,138)**	**3,693,288**
Accumulated depreciation	**(2,749,700)**	**5,984**	**(2,743,716)**
Total property, plant and equipment	**978,726**	**(29,154)**	**949,572**
Other assets			
Goodwill and other intangible assets	**618,731**	**(8,215)**	**610,516**
Deferred tax assets	**355,687**	**44,624**	**400,311**
Other assets	**113,569**	**(404)**	**113,165**
Total other assets	**1,087,987**	**36,005**	**1,123,992**
Total assets	**¥ 5,451,173**	**¥ 12,541**	**¥ 5,463,714**

March 31, 2010		Millions of yen: Amount as previously reported	Adjustment	Amount as restated
Liabilities				
Current liabilities				
Short-term borrowings		¥ 51,347	¥ –	¥ 51,347
Current portion of long-term debt		206,017	–	206,017
Notes and accounts payable, trade		1,191,885	2,308	1,194,193
Accounts payable, other and accrued expenses		375,902	10,967	386,869
Accrued income and other taxes		42,384	–	42,384
Advance payments received		317,044	–	317,044
Other current liabilities		303,866	58,709	362,575
Total current liabilities		2,488,445	71,984	2,560,429
Long-term liabilities				
Long-term debt		960,938	–	960,938
Accrued pension and severance costs		725,620	(7,874)	717,746
Other liabilities		148,548	41,188	189,736
Total long-term liabilities		1,835,106	33,314	1,868,420
Total liabilities		4,323,551	105,298	4,428,849
Equity				
Equity attributable to shareholders of Toshiba Corporation				
Common stock:				
Authorized:	10,000,000,000 shares			
Issued:	4,237,602,026 shares	439,901	–	439,901
Additional paid-in capital		447,733	(1)	447,732
Retained earnings		375,376	(96,530)	278,846
Accumulated other comprehensive loss		(464,250)	5,006	(459,244)
Treasury stock, at cost				
	2,160,986 shares	(1,305)	–	(1,305)
Total equity attributable to shareholders of Toshiba Corporation		797,455	(91,525)	705,930
Equity attributable to noncontrolling interests		330,167	(1,232)	328,935
Total equity		1,127,622	(92,757)	1,034,865
Commitments and contingent liabilities				
Total liabilities and equity		¥ 5,451,173	¥ 12,541	¥ 5,463,714

March 31, 2009	Millions of yen Amount as previously reported	Adjustment	Amount as restated
Assets			
Current assets			
Cash and cash equivalents	¥ 343,793	¥ –	¥ 343,793
Notes and accounts receivable, trade	1,083,386	(10,785)	1,072,601
Inventories	758,305	7,275	765,580
Deferred tax assets	141,008	11,370	152,378
Other receivables	176,196	(485)	175,711
Prepaid expenses and other current assets	217,943	436	218,379
Total current assets	2,720,631	7,811	2,728,442
Long-term receivables and investments			
Long-term receivables	3,987	–	3,987
Investments in and advances to affiliates	340,756	–	340,756
Marketable securities and other investments	190,110	–	190,110
Total long-term receivables and investments	534,853	–	534,853
Property, plant and equipment			
Land	98,116	(3,099)	95,017
Buildings	996,709	(11,498)	985,211
Machinery and equipment	2,698,626	(12,838)	2,685,788
Construction in progress	114,617	(1,780)	112,837
	3,908,068	(29,215)	3,878,853
Accumulated depreciation	(2,818,489)	(3,725)	(2,822,214)
Total property, plant and equipment	1,089,579	(32,940)	1,056,639
Other assets			
Goodwill and other intangible assets	629,820	(7,518)	622,302
Deferred tax assets	352,948	16,936	369,884
Other assets	125,394	(2,232)	123,162
Total other assets	1,108,162	7,186	1,115,348
Total assets	¥ 5,453,225	¥ (17,943)	¥ 5,435,282

March 31, 2009		Millions of yen		
		Amount as previously reported	Adjustment	Amount as restated
Liabilities				
Current liabilities				
Short-term borrowings		¥ 747,971	¥ 295	¥ 748,266
Current portion of long-term debt		285,913	–	285,913
Notes and accounts payable, trade		1,003,864	–	1,003,864
Accounts payable, other and accrued expenses		366,219	2,450	368,669
Accrued income and other taxes		38,418	(483)	37,935
Advance payments received		268,083	3,527	271,610
Other current liabilities		357,305	28,673	385,978
Total current liabilities		3,067,773	34,462	3,102,235
Long-term liabilities				
Long-term debt		776,768	1,039	777,807
Accrued pension and severance costs		719,396	–	719,396
Other liabilities		130,007	9,698	139,705
Total long-term liabilities		1,626,171	10,737	1,636,908
Total liabilities		4,693,944	45,199	4,739,143
Equity				
Equity attributable to shareholders of Toshiba Corporation				
Common stock:				
Authorized:	10,000,000,000 shares			
Issued:	3,237,602,026 shares	280,281	–	280,281
Additional paid-in capital		291,137	–	291,137
Retained earnings		395,134	(62,330)	332,804
Accumulated other comprehensive loss		(517,996)	154	(517,842)
Treasury stock, at cost				
	1,910,852 shares	(1,210)	–	(1,210)
Total equity attributable to shareholders of Toshiba Corporation		447,346	(62,176)	385,170
Equity attributable to noncontrolling interests		311,935	(966)	310,969
Total equity		759,281	(63,142)	696,139
Commitments and contingent liabilities				
Total liabilities and equity		¥ 5,453,225	¥ (17,943)	¥ 5,435,282

March 31, 2010	Thousands of U.S. dollars Amount as previously reported	Adjustment	Amount as restated
Assets			
Current assets			
Cash and cash equivalents	**$ 2,875,796**	**$ –**	**$ 2,875,796**
Notes and accounts receivable, trade	**12,735,473**	**(68,000)**	**12,667,473**
Inventories	**8,554,849**	**(46,311)**	**8,508,538**
Deferred tax assets	**1,451,075**	**198,559**	**1,649,634**
Other receivables	**2,012,516**	**(17,903)**	**1,994,613**
Prepaid expenses and other current assets	**2,064,979**	**(5,161)**	**2,059,817**
Total current assets	**29,694,688**	**61,183**	**29,755,871**
Long-term receivables and investments			
Long-term receivables	**35,882**	**–**	**35,882**
Investments in and advances to affiliates	**3,938,172**	**–**	**3,938,172**
Marketable securities and other investments	**2,723,301**	**–**	**2,723,301**
Total long-term receivables and investments	**6,697,355**	**–**	**6,697,355**
Property, plant and equipment			
Land	**1,136,161**	**(32,226)**	**1,103,935**
Buildings	**10,930,323**	**(163,936)**	**10,766,387**
Machinery and equipment	**26,977,785**	**(167,129)**	**26,810,656**
Construction in progress	**1,046,333**	**(14,537)**	**1,031,796**
	40,090,602	**(377,828)**	**39,712,774**
Accumulated depreciation	**(29,566,667)**	**64,345**	**(29,502,322)**
Total property, plant and equipment	**10,523,935**	**(313,483)**	**10,210,452**
Other assets			
Goodwill and other intangible assets	**6,653,022**	**(88,334)**	**6,564,688**
Deferred tax assets	**3,824,591**	**479,828**	**4,304,419**
Other assets	**1,221,172**	**(4,344)**	**1,216,828**
Total other assets	**11,698,785**	**387,150**	**12,085,935**
Total assets	**$ 58,614,763**	**$ 134,850**	**$ 58,749,613**

March 31, 2010		Thousands of U.S. dollars Amount as previously reported	Adjustment	Amount as restated
Liabilities				
Current liabilities				
Short-term borrowings		**$ 552,118**	**$ –**	**$ 552,118**
Current portion of long-term debt		**2,215,237**	**–**	**2,215,237**
Notes and accounts payable, trade		**12,815,968**	**24,817**	**12,840,785**
Accounts payable, other and accrued expenses		**4,041,957**	**117,925**	**4,159,882**
Accrued income and other taxes		**455,742**	**–**	**455,742**
Advance payments received		**3,409,075**	**–**	**3,409,075**
Other current liabilities		**3,267,376**	**631,280**	**3,898,656**
Total current liabilities		**26,757,473**	**774,022**	**27,531,495**
Long-term liabilities				
Long-term debt		**10,332,667**	**–**	**10,332,667**
Accrued pension and severance costs		**7,802,365**	**(84,666)**	**7,717,699**
Other liabilities		**1,597,290**	**442,882**	**2,040,172**
Total long-term liabilities		**19,732,322**	**358,216**	**20,090,538**
Total liabilities		**46,489,795**	**1,132,238**	**47,622,033**
Equity				
Equity attributable to shareholders of Toshiba Corporation				
Common stock:				
Authorized:	10,000,000,000 shares			
Issued:	4,237,602,026 shares	**4,730,118**	**–**	**4,730,118**
Additional paid-in capital		**4,814,333**	**(10)**	**4,814,323**
Retained earnings		**4,036,301**	**(1,037,957)**	**2,998,344**
Accumulated other comprehensive loss		**(4,991,935)**	**53,827**	**(4,938,108)**
Treasury stock, at cost				
	2,160,986 shares	**(14,032)**	**–**	**(14,032)**
Total equity attributable to shareholders of Toshiba Corporation		**8,574,785**	**(984,140)**	**7,590,645**
Equity attributable to noncontrolling interests		**3,550,183**	**(13,248)**	**3,536,935**
Total equity		**12,124,968**	**(997,388)**	**11,127,580**
Commitments and contingent liabilities				
Total liabilities and equity		**$ 58,614,763**	**$ 134,850**	**$ 58,749,613**

(5) Summary of effects on consolidated statement of income

The following table shows the summary of effects of the restatement above on the consolidated statement of income.

	Millions of yen			
Year Ended March 31, 2010	Amount as previously reported	Reclassified as discontinued operations	Adjustment	Amount as restated
Sales and other income	**¥ 6,475,067**	**¥ (253,168)**	**¥ 8,118**	**¥ 6,230,017**
Costs and expenses	**6,450,105**	**(255,360)**	**49,614**	**6,244,359**
Income (loss) from continuing operations, before income taxes and noncontrolling interests	**24,962**	**2,192**	**(41,496)**	**(14,342)**
Income taxes	**29,688**	**1,821**	**(6,720)**	**24,789**
Loss from continuing operations, before noncontrolling interests	**(4,726)**	**371**	**(34,776)**	**(39,131)**
Loss from discontinued operations, before noncontrolling interests	**(567)**	**(371)**	**–**	**(938)**
Net loss before noncontrolling interests	**(5,293)**	**–**	**(34,776)**	**(40,069)**
Less: Net income attributable to noncontrolling interests	**14,450**	**–**	**(576)**	**13,874**
Net loss attributable to shareholders of Toshiba Corporation	**(19,743)**	**–**	**(34,200)**	**(53,943)**

Per share information (Yen)				
Basic net loss per share attributable to shareholders of Toshiba Corporation				
Loss from continuing operations	**(4.82)**			**(12.49)**
Loss from discontinued operations	**(0.11)**			**(0.98)**
Net loss	**(4.93)**			**(13.47)**
Diluted net loss per share attributable to shareholders of Toshiba Corporation				
Loss from continuing operations	**(4.82)**			**(12.49)**
Loss from discontinued operations	**(0.11)**			**(0.98)**
Net loss	**(4.93)**			**(13.47)**

Year Ended March 31, 2009	Millions of yen Amount as previously reported	Reclassified as discontinued operations	Adjustment	Amount as restated
Sales and other income	¥ 6,830,469	¥ (291,354)	¥ 8,483	¥ 6,547,598
Costs and expenses	7,109,721	(310,929)	84,865	6,883,657
Loss from continuing operations, before income taxes and noncontrolling interests	(279,252)	19,575	(76,382)	(336,059)
Income taxes	54,323	7,753	(20,675)	41,401
Loss from continuing operations, before noncontrolling interests	(333,575)	11,822	(55,707)	(377,460)
Loss from discontinued operations, before noncontrolling interests	(13,779)	(11,822)	–	(25,601)
Net loss before noncontrolling interests	(347,354)	–	(55,707)	(403,061)
Less: Net loss attributable to noncontrolling interests	(3,795)	–	(388)	(4,183)
Net loss attributable to shareholders of Toshiba Corporation	(343,559)	–	(55,319)	(398,878)

	Amount as previously reported	Amount as restated
Per share information (Yen)		
Basic net loss per share attributable to shareholders of Toshiba Corporation		
Loss from continuing operations	(101.92)	(115.62)
Loss from discontinued operations	(4.26)	(7.65)
Net loss	(106.18)	(123.27)
Diluted net loss per share attributable to shareholders of Toshiba Corporation		
Loss from continuing operations	(101.92)	(115.62)
Loss from discontinued operations	(4.26)	(7.65)
Net loss	(106.18)	(123.27)

Year Ended March 31, 2010	Thousands of U.S. dollars Amount as previously reported	Reclassified as discontinued operations	Adjustment	Amount as restated
Sales and other income	**$ 69,624,377**	**$ (2,722,237)**	**$ 87,290**	**$ 66,989,430**
Costs and expenses	**69,355,968**	**(2,745,807)**	**533,484**	**67,143,645**
Income (loss) from continuing operations, before income taxes and noncontrolling interests	**268,409**	**23,570**	**(446,194)**	**(154,215)**
Income taxes	**319,226**	**19,581**	**(72,259)**	**266,548**
Loss from continuing operations, before noncontrolling interests	**(50,817)**	**3,989**	**(373,935)**	**(420,763)**
Loss from discontinued operations, before noncontrolling interests	**(6,097)**	**(3,989)**	**–**	**(10,086)**
Net loss before noncontrolling interests	**(56,914)**	**–**	**(373,935)**	**(430,849)**
Less: Net income attributable to noncontrolling interests	**155,376**	**–**	**(6,193)**	**149,183**
Net loss attributable to shareholders of Toshiba Corporation	**(212,290)**	**–**	**(367,742)**	**(580,032)**

Per share information (U.S. dollar)				
Basic net loss per share attributable to shareholders of Toshiba Corporation				
Loss from continuing operations	**(0.05)**			**(0.13)**
Loss from discontinued operations	**(0.00)**			**(0.01)**
Net loss	**(0.05)**			**(0.14)**
Diluted net loss per share attributable to shareholders of Toshiba Corporation				
Loss from continuing operations	**(0.05)**			**(0.13)**
Loss from discontinued operations	**(0.00)**			**(0.01)**
Net loss	**(0.05)**			**(0.14)**

(6) Summary of effects on consolidated statement of cash flows
The following table shows the summary of effects of the restatement above on the consolidated statement of cash flows.

	Millions of yen					
Year ended March 31, 2010	Amount as previously reported		Adjustment		Amount as restated	
Cash flows from operating activities						
Net loss before noncontrolling interests		¥ (5,293)		¥ (34,776)		¥ (40,069)
Adjustments to reconcile net loss before noncontrolling interests to net cash provided by operating activities–						
Depreciation and amortization	298,998		(7,478)		291,520	
Provisions for pension and severance costs, less payments	10,985		(7,874)		3,111	
Deferred income taxes	(22,809)		(8,303)		(31,112)	
Equity in earnings of affiliates, net of dividends	(11,566)		–		(11,566)	
Loss from sales, disposal and impairment of property, plant and equipment and intangible assets, net	25,055		8,211		33,266	
Loss from sales and impairment of securities and other investments, net	7,181		–		7,181	
Increase in notes and accounts receivable, trade	(98,347)		(4,461)		(102,808)	
Increase in inventories	(35,554)		11,582		(23,972)	
Increase in notes and accounts payable, trade	176,443		2,308		178,751	
Increase in accrued income and other taxes	3,899		483		4,382	
Increase in advance payments received	58,592		(3,527)		55,065	
Other	43,861	456,738	46,145	37,086	90,006	493,824
Net cash provided by operating activities		451,445		2,310		453,755
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment and intangible assets		40,071		–		40,071
Proceeds from sale of securities		6,931		–		6,931
Acquisition of property, plant and equipment		(215,876)		–		(215,876)
Acquisition of intangible assets		(47,053)		–		(47,053)
Purchase of securities		(14,316)		–		(14,316)
Decrease in investments in affiliates		8,288		–		8,288
Proceeds from sale of Toshiba Building Co., Ltd. stock		–		–		–
Other		(30,967)		–		(30,967)
Net cash used in investing activities		(252,922)		–		(252,922)
Cash flows from financing activities						
Proceeds from long-term debt		397,181		–		397,181
Repayment of long-term debt		(303,748)		(1,039)		(304,787)
Decrease in short-term borrowings, net		(680,346)		(295)		(680,641)
Proceeds from stock offering		317,541		–		317,541
Dividends paid		(5,728)		–		(5,728)
Purchase of treasury stock, net		(109)		–		(109)
Other		(2,652)		(976)		(3,628)
Net cash used in financing activities		(277,861)		(2,310)		(280,171)
Effect of exchange rate changes on cash and cash equivalents		2,994		–		2,994
Net decrease in cash and cash equivalents		(76,344)		–		(76,344)
Cash and cash equivalents at beginning of year		343,793		–		343,793
Cash and cash equivalents at end of year		¥ 267,449		¥ –		¥ 267,449

Year ended March 31, 2009	Millions of yen					
	Amount as previously reported		Adjustment		Amount as restated	
Cash flows from operating activities						
Net loss before noncontrolling interests		¥ (347,354)		¥ (55,707)		¥ (403,061)
Adjustments to reconcile net loss before noncontrolling interests to net cash used in operating activities–						
Depreciation and amortization	349,764		–		349,764	
Provisions for pension and severance costs, less payments	(13,733)		–		(13,733)	
Deferred income taxes	(7,843)		(19,092)		(26,935)	
Equity in losses of affiliates, net of dividends	1,215		3		1,218	
Loss from sales, disposal and impairment of property, plant and equipment and intangible assets, net	3,291		42,089		45,380	
Gain from sales and impairment of securities and other investments, net	(37,878)		6		(37,872)	
Decrease in notes and accounts receivable, trade	186,676		(13,504)		173,172	
Decrease in inventories	60,517		13,707		74,224	
Decrease in notes and accounts payable, trade	(182,501)		–		(182,501)	
Decrease in accrued income and other taxes	(51,647)		(483)		(52,130)	
Increase in advance payments received	27,018		2,152		29,170	
Other	(3,536)	331,343	29,495	54,373	25,959	385,716
Net cash used in operating activities		(16,011)		(1,334)		(17,345)
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment and intangible assets		214,264		–		214,264
Proceeds from sale of securities		4,035		–		4,035
Acquisition of property, plant and equipment		(477,720)		–		(477,720)
Acquisition of intangible assets		(59,055)		–		(59,055)
Purchase of securities		(29,609)		–		(29,609)
Increase in investments in affiliates		(43,399)		–		(43,399)
Proceeds from sale of Toshiba Building Co., Ltd. stock		79,800		–		79,800
Other		(23,624)		–		(23,624)
Net cash used in investing activities		(335,308)		–		(335,308)
Cash flows from financing activities						
Proceeds from long-term debt		337,415		1,039		338,454
Repayment of long-term debt		(275,976)		–		(275,976)
Increase in short-term borrowings, net		469,026		295		469,321
Proceeds from stock offering		–		–		–
Dividends paid		(50,350)		–		(50,350)
Purchase of treasury stock, net		(345)		–		(345)
Other		(1,318)		–		(1,318)
Net cash provided by financing activities		478,452		1,334		479,786
Effect of exchange rate changes on cash and cash equivalents		(31,989)		–		(31,989)
Net increase in cash and cash equivalents		95,144		–		95,144
Cash and cash equivalents at beginning of year		248,649		–		248,649
Cash and cash equivalents at end of year		¥ 343,793		¥ –		¥ 343,793

Year ended March 31, 2010	Thousands of U.S. dollars					
	Amount as previously reported		Adjustment		Amount as restated	
Cash flows from operating activities						
Net loss before noncontrolling interests		$ (56,914)		$ (373,935)		$ (430,849)
Adjustments to reconcile net loss before noncontrolling interests to net cash provided by operating activities–						
Depreciation and amortization	3,215,032		(80,408)		3,134,624	
Provisions for pension and severance costs, less payments	118,118		(84,667)		33,451	
Deferred income taxes	(245,258)		(89,280)		(334,538)	
Equity in earnings of affiliates, net of dividends	(124,366)		–		(124,366)	
Loss from sales, disposal and impairment of property, plant and equipment and intangible assets, net	269,409		88,290		357,699	
Loss from sales and impairment of securities and other investments, net	77,215		–		77,215	
Increase in notes and accounts receivable, trade	(1,057,495)		(47,967)		(1,105,462)	
Increase in inventories	(382,301)		124,538		(257,763)	
Increase in notes and accounts payable, trade	1,897,237		24,817		1,922,054	
Increase in accrued income and other taxes	41,925		5,193		47,118	
Increase in advance payments received	630,021		(37,924)		592,097	
Other	471,624	4,911,161	496,182	398,774	967,806	5,309,935
Net cash provided by operating activities		4,854,247		24,839		4,879,086
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment and intangible assets		430,871		–		430,871
Proceeds from sale of securities		74,527		–		74,527
Acquisition of property, plant and equipment		(2,321,247)		–		(2,321,247)
Acquisition of intangible assets		(505,946)		–		(505,946)
Purchase of securities		(153,935)		–		(153,935)
Decrease in investments in affiliates		89,118		–		89,118
Proceeds from sale of Toshiba Building Co., Ltd. stock		–		–		–
Other		(332,979)		–		(332,979)
Net cash used in investing activities		(2,719,591)		–		(2,719,591)
Cash flows from financing activities						
Proceeds from long-term debt		4,270,763		–		4,270,763
Repayment of long-term debt		(3,266,108)		(11,172)		(3,277,280)
Decrease in short-term borrowings, net		(7,315,548)		(3,172)		(7,318,720)
Proceeds from stock offering		3,414,419		–		3,414,419
Dividends paid		(61,591)		–		(61,591)
Purchase of treasury stock, net		(1,172)		–		(1,172)
Other		(28,516)		(10,495)		(39,011)
Net cash used in financing activities		(2,987,753)		(24,839)		(3,012,592)
Effect of exchange rate changes on cash and cash equivalents		32,194		–		32,194
Net decrease in cash and cash equivalents		(820,903)		–		(820,903)
Cash and cash equivalents at beginning of year		3,696,699		–		3,696,699
Cash and cash equivalents at end of year		$2,875,796		$ –		$2,875,796

Restated text is underlined except for Restatement of previously issued consolidated financial statements.

1. DESCRIPTION OF BUSINESS

Toshiba Corporation and its subsidiaries (hereinafter collectively, the "Company") are engaged in research and development, manufacturing and sales of high-technology electronic and energy products, which range (1)Digital Products, (2)Electronic Devices, (3)Social Infrastructure, (4)Home Appliances, and (5)Others. For the year ended March 31, 2010, sales of Social Infrastructure represented the most significant portion of the Company's total sales or approximately 34 percent. Digital Products, second to Social Infrastructure, represented approximately 32 percent, Electronic Devices approximately 20 percent and Home Appliances approximately 9 percent of the Company's total sales. For the year ended March 31, 2009, sales of Social Infrastructure represented the most significant portion of the Company's total sales or approximately 34 percent. Digital Products represented approximately 32 percent, Electronic Devices approximately 19 percent and Home Appliances approximately 10 percent of the Company's total sales. The Company's products are manufactured and marketed throughout the world with approximately 46 percent and 48 percent of its sales in Japan for the years ended March 31, 2010 and 2009, respectively and the remainder in Asia, North America, Europe and other parts of the world.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PREPARATION OF FINANCIAL STATEMENTS

Toshiba Corporation and its domestic subsidiaries maintain their records and prepare their financial statements in accordance with accounting principles generally accepted in Japan, and its foreign subsidiaries in conformity with those of the countries of their domicile.

Certain adjustments and reclassifications have been incorporated in the accompanying consolidated financial statements to conform with accounting principles generally accepted in the United States. These adjustments were not recorded in the statutory books of account.

In June 2009, the Financial Accounting Standards Board ("FASB") issued the Accounting Standards Codification ("ASC"). The ASC has become the source of authoritative U.S. generally accepted accounting principles ("GAAP"). The codified standards are described in "ASC", and the Pre-Codify standards are also presented together.

BASIS OF CONSOLIDATION AND INVESTMENTS IN AFFILIATES

The consolidated financial statements of the Company include the accounts of Toshiba Corporation, its majority-owned subsidiaries and variable interest entities ("VIEs") for which the Company is the primary beneficiary in accordance with ASC No.810 "Consolidation" (formerly FASB Interpretation No.46 as revised in December 2003). All significant intra-entity transactions and accounts are eliminated in consolidation.

Investments in affiliates in which the ability to exercise significant influence exists are accounted for under the equity method of accounting. The Company eliminates unrealized intra-entity profits in determining its equity in the current net earnings (losses) of such companies.

USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The Company has identified significant areas where it believes assumptions and estimates are particularly critical to the consolidated financial statements. These are determination of impairment on long-lived tangible and intangible assets and goodwill, realization of deferred tax assets, uncertain tax positions, pension accounting assumptions, revenue recognition and other valuation allowances and reserves including contingencies for litigations. Actual results could differ from those estimates.

CASH EQUIVALENTS

All highly liquid investments with original maturities of 3 months or less at the date of purchase are considered to be cash equivalents.

FOREIGN CURRENCY TRANSLATION

The assets and liabilities of foreign consolidated subsidiaries and affiliates that operate in a local currency environment are translated into Japanese yen at applicable current exchange rates at year end. Income and expense items are translated at average exchange rates prevailing during the year. The effects of these translation adjustments are included in accumulated other comprehensive income (loss) and reported as a component of equity. Exchange gains and losses resulting from foreign currency transactions and translation of assets and liabilities denominated in foreign currencies are included in other income or other expense in the consolidated statement of income.

ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

An allowance for uncollectible trade receivables is recorded based on a combination of the write-off history, aging analysis, and an evaluation of any specific known troubled accounts. When all collection options are exhausted including legal recourse, the accounts or portions thereof are deemed to be uncollectible and charged against the allowance.

MARKETABLE SECURITIES AND OTHER INVESTMENTS

The Company classifies all of its marketable securities as available-for-sale which are reported at fair value, with unrealized gains and losses included in accumulated other comprehensive income (loss), net of tax. Other investments without quoted market prices are stated at cost. Realized gains or losses on the sale of securities are based on the average cost of a particular security held at the time of sale.

Marketable securities and other investment securities are regularly reviewed for other-than-temporary declines in carrying amount based on criteria that include the length of time and the extent to which the market value has been less than cost, the financial condition and near-term prospects of the issuer and the Company's intent and ability to retain marketable securities and investment securities for a period of time sufficient to allow for any anticipated recovery in market value. When such a decline exists, the Company recognizes an impairment loss to the extent of such decline.

INVENTORIES

Raw materials, finished products and work in process for products are stated at the lower of cost or market, cost being determined principally by the average method. Finished products and work in process for contract items are stated at the lower of cost or estimated realizable value, cost being determined by accumulated production costs.

In accordance with general industry practice, items with long manufacturing periods are included among inventories even when not realizable within one year.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, including significant renewals and additions, are carried at cost. Depreciation for property, plant and equipment associated with domestic operations is computed generally by the 250% declining-balance method with estimated residual value reduced to a nominal value. Depreciation for property, plant and equipment for foreign subsidiaries is generally computed using the straight line method.

The estimated useful lives of the buildings are 3 to 50 years, and those of the machinery and equipment are 2 to 20 years. Maintenance and repairs, including minor renewals and betterments, are expensed as incurred.

IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets, other than goodwill and intangible assets with indefinite useful lives, are evaluated for impairment using an estimate of undiscounted cash flows whenever events or changes in circumstances indicate that the carrying amount of such asset may not be recoverable. If the estimate of undiscounted cash flow is less than the carrying amount of the asset, an impairment loss is recorded based on the fair value of the asset. Fair value is determined primarily by using the anticipated cash flows discounted at a rate commensurate with the risk involved. For assets held for sale, an impairment loss is further increased by costs to sell. Long-lived assets to be disposed of other than by sale are considered held and used until disposed of.

GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment at least annually. Goodwill is allocated among and tested for impairment at the reporting unit level. Intangible assets with finite useful lives, consisting primarily of core and current technology and software, are amortized using the straight-line method over their respective contractual periods or estimated useful lives.

ENVIRONMENTAL LIABILITIES

Liabilities for environmental remediation and other environmental costs are accrued when environmental assessments or remedial efforts are probable and the costs can be reasonably estimated, based on current law and existing technologies. Such liabilities are adjusted as further information develops or circumstances change. Costs of future obligations are not discounted to their present values.

INCOME TAXES

The provision for income taxes is computed based on the pre-tax income (losses) included in the consolidated statement of income. Deferred income taxes are recorded to reflect the expected future tax consequences of temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, and are measured by applying currently enacted tax laws. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the change is enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized.

The company recognizes the financial statement effects of tax positions when they are more likely than not, based on the technical merits, that the tax positions will be sustained upon examination by the tax authorities. Benefits from tax positions that meet the more-likely-than-not recognition threshold are measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement.

ACCRUED PENSION AND SEVERANCE COSTS

The Company has various retirement benefit plans covering substantially all employees. The unrecognized net obligation existing at initial application of ASC No.715 "Compensation-Retirement Benefits" (formerly Statement of Financial Accounting Standards ("SFAS") No.87), and prior service costs resulting from amendments to the plans are amortized over the average remaining service period of employees expected to receive benefits. Unrecognized actuarial gains and losses that exceed 10 percent of the greater of the projected benefit obligation or the fair value of plan assets are also amortized over the average remaining service period of employees expected to receive benefits.

NET EARNINGS (LOSS) PER SHARE

Basic net earnings (loss) per share attributable to shareholders of Toshiba Corporation ("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 anti-dilutive effect.

REVENUE RECOGNITION

Revenue of mass-produced standard products, such as digital products and electronic devices, is recognized when there is persuasive evidence of an arrangement, the product has been delivered, the sales price is fixed or determinable, and collectibility is reasonably assured. Mass-produced standard products are considered delivered to customers once they have been shipped, and the title and risk of loss have transferred.

Revenue related to equipment that requires installation, such as social infrastructure business, is recognized when the installation of the equipment is completed, the equipment is accepted by the customer and other specific criteria of the equipment are demonstrated by the Company.

Revenue from services, such as maintenance service for plant and other systems, that are priced and sold separately from the equipment is recognized ratably over the contract term or as the services are provided.

Revenue on long-term contracts is recorded under the percentage of completion method. To measure the extent of progress toward completion, the Company generally compares the costs incurred to date to the estimated total costs to complete based upon the most recent available information. When estimates of the extent of progress toward completion and contract costs are reasonably dependable, revenue from the contract is recognized based on the percentage of completion. A provision for contract losses is recorded in its entirety when the loss first becomes evident.

Revenue from arrangements with multiple elements, which may include any combination of products, equipment, installment and maintenance, is allocated to each element based on its relative fair value if such element meets the criteria for treatment as a separate unit of accounting as prescribed in ASC No.605 "Revenue Recognition" (formerly the Emerging Issues Task Force Issue 00-21). Otherwise, revenue is deferred until the undelivered elements are fulfilled as a single unit of accounting.

Revenue from the development of custom software products is recognized when there is persuasive evidence of an arrangement, the sales price is fixed or determinable, collectibility is probable, and the software product has been delivered and accepted by the customer.

SHIPPING AND HANDLING COSTS

The Company includes shipping and handling costs which totaled ¥78,899 million ($848,376 thousand) and ¥88,847 million for the years ended March 31, 2010 and 2009, respectively in selling, general and administrative expenses.

DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses a variety of derivative financial instruments, which include forward exchange contracts, interest rate swap agreements, currency swap agreements, and currency options for the purpose of currency exchange rate and interest rate risk management. Refer to Note 21 for descriptions of these financial instruments.

The Company recognizes all derivative financial instruments, such as forward exchange contracts, interest rate swap agreements, currency swap agreements, and currency options in the consolidated financial statements at fair value regardless of the purpose or intent for holding the derivative financial instruments. Changes in the fair value of derivative financial instruments are either recognized periodically in income or in equity as a component of accumulated other comprehensive income (loss) depending on whether the derivative financial instruments qualify for hedge accounting, and if so, whether they qualify as a fair value hedge or a cash flow hedge. Changes in fair value of derivative financial instruments accounted for as fair value hedges are recorded in income along with the portion of the change in the fair value of the hedged item that relates to the hedged risk. Changes in fair value of derivative financial instruments accounted for as cash flow hedges, to the extent they are effective as a hedge, are recorded in accumulated other comprehensive income (loss), net of tax. Changes in the fair value of derivative financial instruments not qualifying as a hedge are reported in income.

SALES OF RECEIVABLES

The Company enters into transactions to sell certain trade notes receivable and trade accounts receivable. The Company may retain certain interests in these transactions. Gain or loss on the sale of receivables is computed based on the allocated carrying amount of the receivables sold. Retained interests are recorded at the allocated carrying amount of the assets based on their relative fair values at the date of sale. The Company estimates fair value based on the present value of future expected cash flows less credit losses.

ASSET RETIREMENT OBLIGATIONS

The Company records asset retirement obligations at fair value in the period incurred. The fair value of the liability is added to the carrying amount of the associated asset. This additional carrying amount is then depreciated over the life of the asset. The liability increases due to the passage of time based on the time value of money until the obligation is settled. Subsequent to the initial recognition, the liability is adjusted for any revisions to the expected value of the retirement obligation, and for accretion of the liability due to the passage of time.

RECENT PRONOUNCEMENTS

In June 2009, the FASB issued SFAS No.166 "Accounting for Transfers of Financial Assets, an amendment of FASB Statement No.140" ("ASC No.860"). ASC No.860 eliminates the concept of a qualifying special-purpose entity and changes the derecognition requirements of financial assets. It also provides financial statement users with more information and enhances disclosures with greater transparency about a transferor's continuing involvement in transferred financial assets and the risks thereof. ASC No.860 is effective for fiscal years beginning after November 15, 2009, and the Company will adopt ASC No.860 effective April 1, 2010. The Company is currently evaluating the impact of adoption of ASC No.860 on the Company's financial position and results of operations but does not expect it to have a material impact.

In June 2009, the FASB issued SFAS No.167 "Amendments to FASB Interpretation No.46 (revised 2003)" ("ASC No.810"). ASC No.810 removes exceptions regarding the deconsolidation of a qualifying special-purpose entity as a result of the elimination of the qualifying special-purpose entity concept by ASC No.810. It requires that an entity determine the need for consolidating a variable interest entity based on qualitative analysis. It revises its evaluation on a continuous basis. And it requires increased transparency of an enterprise's involvement with a variable interest entity. ASC No.810 is effective for fiscal years beginning after November 15, 2009, and the Company will adopt ASC No.810 effective April 1, 2010. The Company is currently evaluating the impact of adoption of ASC No.810 on the Company's financial position and results of operations but does not expect it to have a material impact.

In October 2009, the FASB issued Accounting Standards Updates ("ASU") No.2009-13 "Multiple-Deliverable Revenue Arrangements" ("ASU No.2009-13"). ASU No.2009-13 amends ASC No.605 "Revenue Recognition", and establishes the requirements for treating multiple elements of revenue arrangements as separate units of accounting, and permits using a best estimate of the selling price when vendor-specific objective evidence or third-party evidence of selling price is not available. At the same time, the use of the residual method, which was previously permitted to use to allocate arrangement consideration, is prohibited. Moreover, additional disclosure such as effects by this amendments is required. ASU No.2009-13 is effective for fiscal years beginning on or after June 15, 2010. The Company is currently evaluating the timing and the impact of adoption of ASU No.2009-13 on the Company's financial position and results of operations.

In October 2009, the FASB issued ASU No.2009-14 "Certain Revenue Arrangements That Include Software Elements" ("ASU No.2009-14"). ASU No.2009-14 amends ASC No.985 "Software", and clarifies the scope of ASC No.985 in certain revenue arrangement that include software elements. ASU No.2009-14 is effective for fiscal years beginning on or after June 15, 2010. The Company is currently evaluating the timing and the impact of adoption of ASU No.2009-14 on the Company's financial position and results of operations.

The information provided is about the status as of the submission date of the original annual securities report in June 2010 before correction for restatements in September, 2015.

SUBSEQUENT EVENTS

In accordance with ASC No.855 "Subsequent Events" (formerly SFAS No.165), the Company assessed subsequent events up to the submission dates of the annual securities report before restatement (June 23, 2010), and the revised financial statements (September 7, 2015).

RECLASSIFICATIONS

In addition to the restatements previously described, Certain reclassifications to the prior year's consolidated financial statements and related footnote amounts have been made to conform to the presentation for the current year.

The Company adopted SFAS No.160 "Noncontrolling Interest in Consolidated Financial Statements" ("ASC No.810") effective April 1, 2009. ASC No.810 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling interest, changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiaries, and to measure at fair value of retained noncontrolling equity investments when a subsidiary is deconsolidated. ASC No.810 also requires disclosures that clearly identify and distinguish the interests of the parent and the interests of the noncontrolling owners. These financial statement presentation requirements have been adopted retrospectively and amounts as of and for the year ended March 31, 2009 have been reclassified or adjusted to conform to this guidance. ASC No.810 also changes the way the consolidated statement of income are presented and its presentation and disclosure requirements shall be applied retrospectively for all periods presented. Upon adoption, noncontrolling interests, which were previously referred to as minority interest and classified between total liabilities and shareholders' equity on the consolidated balance sheet are now included as separate component of total equity.

3. U.S. DOLLAR AMOUNTS

U.S. dollar amounts are included solely for convenience of readers. These translations should not be construed as a representation that the yen could be converted into U.S. dollars at this rate or any other rates. The amounts shown in U.S. dollars are not intended to be computed in accordance with generally accepted accounting principles in the United States for the translation of foreign currency amounts. The rate of ¥93=U.S.$1, the approximate current rate of exchange at March 31, 2010, has been used throughout for the purpose of presentation of the U.S. dollar amounts in the accompanying consolidated financial statements.

4. DISCONTINUED OPERATIONS

Since its establishment, Mobile Broadcasting Corporation ("MBCO"), a consolidated subsidiary of the Company, has strived to gain and serve an increasing number of customers in an effort to expand its broadcasting business for mobile devices. However, the number of subscribers has not reached a sufficient level to sustain operation and, following a thorough review of its operation, the Company has decided to cease broadcasting. MBCO ended all its broadcasting services by the end of March 2009. The Company is taking certain required procedures for its liquidation.
In accordance with ASC No.205-20 *"Presentation of Financial Statements-Discontinued Operations"* (formerly SFAS No.144), operating results relating to MBCO in consolidated statement of income are reclassified as discontinued operations.

Income (loss) relating to discontinued operations is as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Sales and other income	**¥ –**	¥ 1,390	**$ –**
Costs and expenses	**956**	25,024	**10,280**
Loss from discontinued operations, before income taxes and noncontrolling interests	**(956)**	(23,634)	**(10,280)**
Income taxes	**(389)**	(9,855)	**(4,183)**
Loss from discontinued operations, before noncontrolling interests	**(567)**	(13,779)	**(6,097)**
Less:Net income from discontinued operations attributable to noncontrolling interests	**(141)**	–	**(1,516)**
Net loss from discontinued operations attributable to shareholders of Toshiba Corporation	**(426)**	(13,779)	**(4,581)**

Impairment losses on long-lived assets of ¥10,409 million are included in costs and expenses for the year ended March 31, 2009.

On June 17, 2010, the Company and Fujitsu Limited ("Fujitsu") signed a Memorandum of Understanding (MOU) to merge their mobile phone businesses, followed by a definitive contract on July 29, 2010. The purpose of this business merger was to enhance their handset development capabilities and at the same time to improve business efficiency by combining their mobile phone development know-how and technological strengths, in the domestic and overseas mobile phone market in which competition is intensifying. On October 1, 2010, the Company transfers its mobile phone business to a newly established company (Fujitsu Toshiba Mobile Communications Limited), and sold 80.1% of the shares of the new company to Fujitsu. In accordance with this contract, the Company will continue manufacturing and selling of the existing models of mobile phones until the first half of FY2011.

In accordance with ASC No.205-20 *"Presentation of Financial Statements-Discontinued Operations"* ("ASC No.205-20"), operating results relating to the mobile phone business are separately presented as discontinued operations in the consolidated statement of income.
Operating results relating to the mobile phone business, which are reclassified as discontinued operations, are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Sales and other income	¥ **90,995**	¥ 142,406	$ **978,441**
Costs and expenses	**100,446**	160,191	**1,080,065**
Loss from discontinued operations, before income taxes and noncontrolling interests	**(9,451)**	(17,785)	**(101,624)**
Income taxes	**(3,846)**	(7,239)	**(41,355)**
Loss from discontinued operations, before noncontrolling interests	**(5,605)**	(10,546)	**(60,269)**
Less:Net income (loss) from discontinued operations attributable to noncontrolling interests	**–**	–	**–**
Net loss from discontinued operations attributable to shareholders of Toshiba Corporation	**(5,605)**	(10,546)	**(60,269)**

On March 26, 2014, the Company entered into definitive agreements with Samsung Electronics Co., Ltd. ("Samsung Electronics") and OPTIS Co., Ltd. ("OPTIS") for the transfer of its optical disc drive ("ODD") business as part of the Company's restructuring of the ODD business in response to the changing market environment.

Under the terms of the agreements, Toshiba Samsung Storage Technology Corporation ("TSST"), which is the Company and Samsung Electronics' Japan-based joint holding company for the ODD business, will transfer Toshiba Samsung Storage Technology Korea Corporation ("TSST-K"), which is TSST's wholly-owned operating subsidiary, to OPTIS in stages over three years. As the first step in the transfer process, OPTIS subscribed to a new issue of TSST-K's shares on April 29, 2014, which dilutes TSST's shareholding in TSST-K to 50.1%.

In accordance with ASC No.205-20, operating results relating to the ODD business are separately presented as discontinued operations in the consolidated statement of income.

Operating results relating to the ODD business, which are reclassified as discontinued operations, are as follows.

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Sales and other income	¥ **162,173**	¥ 148,948	$ **1,743,796**
Costs and expenses	**154,914**	150,738	**1,665,742**
Income (loss) from discontinued operations, before income taxes and noncontrolling interests	**7,259**	(1,790)	**78,054**
Income taxes	**2,025**	(514)	**21,774**
Income (loss) from discontinued operations, before noncontrolling interests	**5,234**	(1,276)	**56,280**
Less:Net income (loss) from discontinued operations attributable to noncontrolling interests	**3,111**	(847)	**33,452**
Net income (loss) from discontinued operations attributable to shareholders of Toshiba Corporation	**2,123**	(429)	**22,828**

5. FAIR VALUE MEASUREMENTS

ASC No.820 *"Fair Value Measurements and Disclosures"* (formerly SFAS No.157) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels below;

Level 1 - Quoted prices for identical assets or liabilities in active markets.
Level 2 - Quoted prices for similar assets or liabilities in active markets.
Quoted prices for identical or similar instruments in markets that are not active.
Inputs other than quoted prices that are observable.
Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3 - Instruments whose significant inputs are unobservable.

Assets and liabilities measured at fair value on a recurring basis

Assets and liabilities that are measured at fair value on a recurring basis at March 31, 2010 and 2009 are as follows:

	Millions of yen			
March 31, 2010	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents:				
MMF	¥ 15,615	¥ –	¥ –	¥ 15,615
Marketable securities:				
Equity securities	209,628	2,466	–	212,094
Debt securities	–	–	2,393	2,393
Derivative assets:				
Forward exchange contracts	–	1,486	–	1,486
Interest rate swap agreements	–	9	–	9
Currency swap agreements	–	255	–	255
Subordinated retained interests	–	–	5,942	5,942
Total assets	¥ 225,243	¥ 4,216	¥ 8,335	¥ 237,794
Liabilities:				
Derivative liabilities:				
Forward exchange contracts	¥ –	¥ 1,313	¥ –	¥ 1,313
Interest rate swap agreements	–	5,168	–	5,168
Currency swap agreements	–	422	–	422
Currency options	–	162	–	162
Total liabilities	¥ –	¥ 7,065	¥ –	¥ 7,065

Toshiba Corporation and Subsidiaries
March 31, 2010

March 31, 2009	Millions of yen Level 1	Level 2	Level 3	Total
Assets:				
Marketable securities:				
Equity securities	¥ 135,283	¥ 1,499	¥ –	¥ 136,782
Debt securities	–	–	3,045	3,045
Derivative assets:				
Forward exchange contracts	–	734	–	734
Interest rate swap agreements	–	74	–	74
Currency swap agreements	–	207	–	207
Subordinated retained interests	–	–	10,762	10,762
Total assets	¥ 135,283	¥ 2,514	¥ 13,807	¥ 151,604
Liabilities:				
Derivative liabilities:				
Forward exchange contracts	¥ –	¥ 10,406	¥ –	¥ 10,406
Interest rate swap agreements	–	2,541	–	2,541
Total liabilities	¥ –	¥ 12,947	¥ –	¥ 12,947

March 31, 2010	Thousands of U.S. dollars Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents:				
MMF	**$ 167,903**	**$ –**	**$ –**	**$ 167,903**
Marketable securities:				
Equity securities	**2,254,065**	**26,516**	**–**	**2,280,581**
Debt securities	**–**	**–**	**25,731**	**25,731**
Derivative assets:				
Forward exchange contracts	**–**	**15,978**	**–**	**15,978**
Interest rate swap agreements	**–**	**97**	**–**	**97**
Currency swap agreements	**–**	**2,742**	**–**	**2,742**
Subordinated retained interests	**–**	**–**	**63,893**	**63,893**
Total assets	**$ 2,421,968**	**$ 45,333**	**$ 89,624**	**$ 2,556,925**
Liabilities:				
Derivative liabilities:				
Forward exchange contracts	**$ –**	**$ 14,118**	**$ –**	**$ 14,118**
Interest rate swap agreements	**–**	**55,570**	**–**	**55,570**
Currency swap agreements	**–**	**4,538**	**–**	**4,538**
Currency options	**–**	**1,742**	**–**	**1,742**
Total liabilities	**$ –**	**$ 75,968**	**$ –**	**$ 75,968**

Cash equivalents

Cash equivalents whose fair values are valued based on quoted market prices in active markets are classified within Level 1.

Marketable securities

Level 1 securities represent marketable equity securities listed in active markets, which are valued based on quoted market prices in active markets with sufficient volume and frequency of transactions. Level 2 securities represent marketable equity securities listed in less active markets, which are valued based on quoted market prices for identical assets in inactive markets. Level 3 securities represent corporate debt securities and valued based on unobservable inputs as the markets for the assets are not active at the measurement date.

Derivative instruments

Derivative instruments principally represent forward currency exchange contracts and interest rate swap agreements, which are classified within Level 2. They are valued based on inputs that can be corroborated with the observable inputs such as foreign currency exchange rate, LIBOR and others.

Subordinated retained interests

Subordinated retained interests are valued based on unobservable inputs and classified within Level 3. They are valued based on the internal valuation models and the Company's own assumptions.

Analyses of the changes in Level 3 assets measured at fair value on a recurring basis for the years ended March 31, 2010 and 2009 are shown below:

	Millions of yen		
Year ended March 31, 2010	Marketable securities	Subordinated retained interests	Total
Balance at beginning of year	**¥ 3,045**	**¥ 10,762**	**¥ 13,807**
Total gains or losses (realized or unrealized):			
Included in gains (losses)	**–**	**–**	**–**
Included in other comprehensive income (loss)	**(556)**	**–**	**(556)**
Purchases, issuances and settlements	**(96)**	**(4,820)**	**(4,916)**
Balance at end of year	**¥ 2,393**	**¥ 5,942**	**¥ 8,335**

	Millions of yen		
Year ended March 31, 2009	Marketable securities	Subordinated retained interests	Total
Balance at beginning of year	¥ 3,515	¥ 9,888	¥ 13,403
Total gains or losses (realized or unrealized):			
Included in gains (losses)	–	–	–
Included in other comprehensive income (loss)	0	–	0
Purchases, issuances and settlements	(470)	874	404
Balance at end of year	¥ 3,045	¥ 10,762	¥ 13,807

	Thousands of U.S. dollars		
Year ended March 31, 2010	Marketable securities	Subordinated retained interests	Total
Balance at beginning of year	**$ 32,742**	**$ 115,721**	**$ 148,463**
Total gains or losses (realized or unrealized):			
Included in gains (losses)	**–**	**–**	**–**
Included in other comprehensive income (loss)	**(5,979)**	**–**	**(5,979)**
Purchases, issuances and settlements	**(1,032)**	**(51,828)**	**(52,860)**
Balance at end of year	**$ 25,731**	**$ 63,893**	**$ 89,624**

At March 31, 2010 and 2009, Level 3 assets measured at fair value on a recurring basis consisted of corporate debt securities and subordinated retained interests.

Assets and liabilities measured at fair value on a non-recurring basis

Assets that are measured at fair value on a non-recurring basis at March 31, 2010 and 2009 are as follows:

	Millions of yen			
March 31, 2010	Level 1	Level 2	Level 3	Total
Assets:				
Equity securities	¥ –	¥ –	¥ 620	¥ 620
Investments in affiliates	11,921	–	8,582	20,503
Long-lived assets held for use	–	–	42,403	42,403
Long-lived assets held for sale	–	–	10,618	10,618
Total assets	¥ 11,921	¥ –	¥ 62,223	¥ 74,144

	Millions of yen			
March 31, 2009	Level 1	Level 2	Level 3	Total
Assets:				
Equity securities	¥ –	¥ –	¥ 701	¥ 701
Investments in affiliates	8,364	–	–	8,364
Long-lived assets held for use	–	–	0	0
Total assets	¥ 8,364	¥ –	¥ 701	¥ 9,065

	Thousands of U.S. dollars			
March 31, 2010	Level 1	Level 2	Level 3	Total
Assets:				
Equity securities	$ –	$ –	$ 6,667	$ 6,667
Investments in affiliates	128,183	–	92,279	220,462
Long-lived assets held for use	–	–	455,946	455,946
Long-lived assets held for sale	–	–	114,172	114,172
Total assets	$ 128,183	$ –	$ 669,064	$ 797,247

Certain non-marketable equity securities accounted for under the cost method were written down to their fair value, resulting in other-than-temporary impairment. The impaired securities were classified within level 3 as they were valued based on the specific valuation techniques and hypotheses of the Company with unobservable inputs.

Certain equity method investments were written down to their fair value, resulting in other-than-temporary impairment. Some of the impaired investments were classified within Level 1 as they were valued based on quoted market prices in active markets. The other impaired securities were classified within level 3 as they were valued based on the specific valuation techniques and hypotheses of the Company with unobservable inputs.

Previous equity interests of newly controlled subsidiaries in step acquisitions were remeasured to their fair value, which were classified within level 3 as they were valued based on the specific valuation techniques and hypotheses of the Company with unobservable inputs.

The impaired long-lived assets were classified within level 3 as they were valued based on discounted cash flows expected to be generated by the related assets and on the transfer price of stocks with unobservable inputs.

As a result, the net impacts from continuing operations for the years ended March 31, 2010 and 2009 were ¥32,135 million ($345,538 thousand) and ¥44,813 million.

6. MARKETABLE SECURITIES AND OTHER INVESTMENTS

The aggregate cost, gross unrealized holding gains and losses, and aggregate fair value for marketable equity securities and debt securities classified as available-for-sale securities by security type at March 31, 2010 and 2009 are as follows:

	Millions of yen			
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
March 31, 2010:				
Equity securities	**¥ 93,416**	**¥ 120,189**	**¥ 1,511**	**¥ 212,094**
Debt securities	**2,949**	**0**	**556**	**2,393**
	¥ 96,365	**¥ 120,189**	**¥ 2,067**	**¥ 214,487**
March 31, 2009:				
Equity securities	¥ 96,258	¥ 51,109	¥ 10,585	¥ 136,782
Debt securities	3,045	0	0	3,045
	¥ 99,303	¥ 51,109	¥ 10,585	¥ 139,827

	Thousands of U.S. dollars			
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
March 31, 2010:				
Equity securities	**$ 1,004,473**	**$ 1,292,355**	**$ 16,247**	**$ 2,280,581**
Debt securities	**31,710**	**0**	**5,979**	**25,731**
	$ 1,036,183	**$ 1,292,355**	**$ 22,226**	**$ 2,306,312**

At March 31, 2010 and 2009, debt securities mainly consist of corporate debt securities.

Contractual maturities of debt securities classified as available-for-sale at March 31, 2010 are as follows:

	Millions of yen		Thousands of U.S. dollars	
March 31, 2010:	Cost	Fair value	Cost	Fair value
Due within one year	**¥ 0**	**¥ 0**	**$ 0**	**$ 0**
Due after one year within five years	**2,949**	**2,393**	**31,710**	**25,731**
	¥ 2,949	**¥ 2,393**	**$ 31,710**	**$ 25,731**

The proceeds from sales of available-for-sale securities for the years ended March 31, 2010 and 2009 were ¥2,667 million ($28,677 thousand) and ¥1,995 million, respectively. The gross realized gains on those sales for the years ended March 31, 2010 and 2009 were ¥1,321 million ($14,204 thousand) and ¥1,017 million, respectively. The gross realized losses on those sales for the years ended March 31, 2010 and 2009 were ¥69 million ($742 thousand) and ¥496 million, respectively.

At March 31, 2010, the cost and fair value of available-for-sale securities in an unrealized loss position over 12 consecutive months were not significant.

Aggregate cost of non-marketable equity securities accounted for under the cost method totaled ¥38,058 million ($409,226 thousand) and ¥50,232 million at March 31, 2010 and 2009, respectively. At March 31, 2010, investments with an aggregate cost of ¥37,479 million ($403,000 thousand) were not evaluated for impairment because (a)the Company did not estimate the fair values of those investments as it was not practicable to estimate the fair value of the investment and (b)the Company did not identify any events or changes in circumstances that might have had significant adverse effects on the fair values of those investments.

Included in other expense are charges of ¥5,902 million ($63,462 thousand) and ¥42,399 million related to other-than-temporary declines in the marketable and non-marketable equity securities for the years ended March 31, 2010 and 2009, respectively.

7. SECURITIZATIONS

The Company has transferred certain trade notes and accounts receivable under several securitization programs. These securitization transactions are accounted for as a sale in accordance with ASC No.860 *"Transfers and Servicing"* (formerly SFAS No.140), because the Company has relinquished control of the receivables. Accordingly, the receivables sold under these facilities are excluded from the accompanying consolidated balance sheet.

Under the asset-backed securitization program entered into in Europe, the Company holds subordinated retained interests for certain trade notes and accounts receivable. As of March 31, 2010 and 2009, the fair value of retained interests were ¥4,816 million ($51,785 thousand) and ¥10,762 million, respectively.

The Company recognized losses of ¥1,976 million ($21,247 thousand) and ¥2,590 million on the securitizations of receivables for the years ended March 31, 2010 and 2009, respectively.

Subsequent to sale, the Company retains collection and administrative responsibilities for the receivables and retains a portion of the receivables for which proceeds are deferred. Servicing fees received by the Company approximate the prevailing market rate. Related servicing assets or liabilities are immaterial to the Company's financial position.

The table below summarizes certain cash flows received from and paid to banking institutions or special purpose entities ("SPEs") related to banking institutions on the above securitization transactions.

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Proceeds from new securitizations	**¥ 1,018,458**	¥ 863,058	**$ 10,951,161**
Servicing fees received	**430**	428	**4,624**
Purchases of delinquent and foreclosed receivables	**1,218**	2,418	**13,097**

Quantitative information about delinquencies, net credit losses, and components of securitized receivables as of and for the years ended March 31, 2010 and 2009 are as follows. Of these receivables, deferred proceeds for the receivables transferred as of March 31, 2010 and 2009 were ¥73,505 million ($790,376 thousand) and ¥39,390 million, respectively and were recorded as other receivables.

	Millions of yen					
	Total principal amount of receivables		Amount 90 days or more past due		Net credit losses	
	March 31				Year ended March 31	
	2010	2009	**2010**	2009	**2010**	2009
Accounts receivable	**¥ 1,365,200**	¥ 1,188,595	**¥ 33,339**	¥ 22,412	**¥ 5,908**	¥ 4,454
Notes receivable	**96,035**	137,575	**75**	36	**792**	486
Total managed portfolio	**¥ 1,461,235**	¥ 1,326,170	**¥ 33,414**	¥ 22,448	**¥ 6,700**	¥ 4,940
Securitized receivables	**(259,711)**	(230,312)				
Total receivables	**¥ 1,201,524**	¥ 1,095,858				

	Thousands of U.S. dollars		
	Total principal amount of receivables	Amount 90 days or more past due	Net credit losses
	March 31, 2010		Year ended March 31, 2010
Accounts receivable	**$ 14,679,569**	**$ 358,484**	**$ 63,527**
Notes receivable	**1,032,635**	**806**	**8,516**
Total managed portfolio	**$ 15,712,204**	**$ 359,290**	**$ 72,043**
Securitized receivables	**(2,792,591)**		
Total receivables	**$ 12,919,613**		

8. INVENTORIES

Inventories consist of the following:

March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Finished products	¥ 303,406	¥ 269,401	$ 3,262,430
Work in process:			
Long-term contracts	96,376	93,922	1,036,301
Other	240,751	253,090	2,588,720
Raw materials	150,761	149,167	1,621,087
	¥ 791,294	¥ 765,580	$ 8,508,538

9. INVESTMENTS IN AND ADVANCES TO AFFILIATES

The Company's significant investments in affiliated companies accounted for by the equity method together with the percentage of the Company's ownership of voting shares at March 31, 2010 were: Topcon Corporation (35.5%); Toshiba Machine Co., Ltd. (22.1%); Toshiba Finance Corporation ("TFC") (35.0%); Toshiba Mitsubishi-Electric Industrial Systems Corporation (50.0%); and Semp Toshiba Amazonas S.A. (40.0%).

Of the affiliates which were accounted for by the equity method, the investments in common stock of the listed companies were carried at ¥36,097 million ($388,140 thousand) and ¥36,779 million at March 31, 2010 (5 companies) and 2009 (4 companies), respectively. The Company's investments in these companies had market values of ¥44,192 million ($475,183 thousand) and ¥29,843 million at March 31, 2010 and 2009, respectively, based on quoted market prices at those dates.

Summarized financial information of the affiliates accounted for by the equity method is shown below:

March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Current assets	¥ 1,263,890	¥ 1,215,888	$ 13,590,215
Other assets including property, plant and equipment	1,111,965	1,184,261	11,956,613
Total assets	¥ 2,375,855	¥ 2,400,149	$ 25,546,828
Current liabilities	¥ 998,135	¥ 1,038,800	$ 10,732,635
Long-term liabilities	701,219	769,043	7,539,989
Equity	676,501	592,306	7,274,204
Total liabilities and equity	¥ 2,375,855	¥ 2,400,149	$ 25,546,828

Year ended March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Sales	¥ 1,876,055	¥ 2,039,742	$ 20,172,634
Net income	59,403	33,155	638,742

Toshiba Corporation and Subsidiaries
March 31, 2010

A summary of transactions and balances with the affiliates accounted for by the equity method is presented below:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Sales	**¥ 149,196**	¥ 214,742	**$ 1,604,258**
Purchases	**132,823**	167,632	**1,428,204**
Dividends	**11,580**	11,227	**124,516**

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Notes and accounts receivable, trade	**¥ 36,607**	¥ 36,252	**$ 393,624**
Other receivables	**11,395**	8,127	**122,527**
Long-term loans receivable	**100,397**	105,150	**1,079,538**
Notes and accounts payable, trade	**110,700**	95,275	**1,190,323**
Other payables	**23,319**	31,980	**250,742**
Capital lease obligations	**37,438**	44,246	**402,559**

10. GOODWILL AND OTHER INTANGIBLE ASSETS

The Company tested goodwill for impairment in accordance with ASC No.350 *"Intangibles-Goodwill and Other"* (formerly SFAS No.142), applying a fair value based test and has concluded that there was no impairment for the years ended March 31, 2010 and 2009.

The components of acquired intangible assets excluding goodwill at March 31, 2010 and 2009 are as follows:

	Millions of yen		
March 31, 2010	Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets subject to amortization:			
Software	**¥ 188,488**	**¥ 125,265**	**¥ 63,223**
Technical license fees	**60,496**	**31,881**	**28,615**
Core and current technology	**134,107**	**23,696**	**110,411**
Other	**91,067**	**28,978**	**62,089**
Total	**¥ 474,158**	**¥ 209,820**	**264,338**
Other intangible assets not subject to amortization:			
Brand name			**37,770**
Other			**3,010**
Total			**40,780**
			¥ 305,118

	Millions of yen		
March 31, 2009	Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets subject to amortization:			
Software	¥ 176,608	¥ 112,736	¥ 63,872
Technical license fees	61,881	26,606	35,275
Core and current technology	141,549	23,205	118,344
Other	87,427	37,645	49,782
Total	¥ 467,465	¥ 200,192	¥ 267,273
Other intangible assets not subject to amortization:			
Brand name			39,020
Other			5,294
Total			44,314
			¥ 311,587

March 31, 2010	Thousands of U.S. dollars Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets subject to amortization:			
Software	**$ 2,026,753**	**$ 1,346,936**	**$ 679,817**
Technical license fees	**650,494**	**342,806**	**307,688**
Core and current technology	**1,442,011**	**254,796**	**1,187,215**
Other	**979,215**	**311,591**	**667,624**
Total	**$ 5,098,473**	**$ 2,256,129**	**$ 2,842,344**
Other intangible assets not subject to amortization:			
Brand name			**406,129**
Other			**32,366**
Total			**438,495**
			$ 3,280,839

Intangible assets acquired during the year ended March 31, 2010 primarily consisted of software of ¥24,768 million ($266,323 thousand) and goodwill of ¥8,378 million ($90,086 thousand). The weighted-average amortization period of software for the year ended March 31, 2010 was approximately 4.9 years.

The weighted-average amortization periods for other intangible assets were approximately 11.7 years and 11.9 years for the years ended March 31, 2010 and 2009, respectively. Amortization expenses of other intangible assets subject to amortization for the years ended March 31, 2010 and 2009 are ¥39,811 million ($428,075 thousand) and ¥48,584 million, respectively. The future amortization expense for each of the next 5 years relating to intangible assets currently recorded in the consolidated balance sheet at March 31, 2010 is estimated as follows:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	¥ 42,239	$ 454,183
2012	38,064	409,290
2013	30,514	328,108
2014	24,381	262,161
2015	14,876	159,957

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired. The changes in the carrying amount of goodwill for the years ended March 31, 2010 and 2009 are as follows:

Year ended March 31	Millions of yen **2010**	2009	Thousands of U.S. dollars **2010**
Balance at beginning of year	**¥ 310,715**	¥ 328,552	**$ 3,341,021**
Goodwill acquired during the year	**8,378**	6,709	**90,086**
Foreign currency translation adjustments	**(13,695)**	(24,546)	**(147,258)**
Balance at end of year	**¥ 305,398**	¥ 310,715	**$ 3,283,849**

As of March 31, 2010 and 2009, goodwill allocated within Social Infrastructure is ¥276,321 million ($2,971,194 thousand) and ¥281,220 million, respectively. The rest were mainly allocated within Digital Products.

Goodwill acquired during the year ended March 31, 2010 is mainly related to the acquisition of Chevalier (HK) Limited and its subsidiaries (Social Infrastructure).

11. SHORT-TERM BORROWINGS AND LONG-TERM DEBT

Short-term borrowings at March 31, 2010 and 2009 consist of the following:

March 31	Millions of yen 2010	Millions of yen 2009	Thousands of U.S. dollars 2010
Loans, principally from banks, including bank overdrafts, with weighted-average interest rate of 2.38% at March 31, 2010 and 1.35% at March 31, 2009:			
Secured	**¥ 708**	¥ 324	**$ 7,613**
Unsecured	**31,259**	485,054	**336,118**
Commercial paper with weighted-average interest rate of 0.12% at March 31, 2010 and 1.26% at March 31, 2009	**15,000**	259,000	**161,290**
Euro yen medium-term notes of a subsidiary, with weighted-average interest rate of 0.27% at March 31, 2010 and 0.93% at March 31, 2009	**4,380**	3,888	**47,097**
	¥ 51,347	¥ 748,266	**$ 552,118**

Substantially all of the short-term borrowings are with banks which have written basic agreements with the Company to the effect that, with respect to all present or future loans with such banks, the Company shall provide collateral (including sums on deposit with such banks) or guarantors immediately upon the bank's request and that any collateral furnished pursuant to such agreements or otherwise will be applicable to all indebtedness to such banks.

At March 31, 2010, the Company had unused committed lines of credit from short-term financing arrangements aggregating ¥362,304 million ($3,895,742 thousand), of which ¥9,304 million ($100,043 thousand) was in support of the Company's commercial paper. The lines of credit expire on various dates from April 2010 through March 2011. Under the agreements, the Company is required to pay commitment fees ranging from 0.100 percent to 0.250 percent on the unused portion of the lines of credit.

Long-term debt at March 31, 2010 and 2009 consist of the following:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Loans, principally from banks and insurance companies, due 2010 to 2029 with weighted-average interest rate of 1.34% at March 31, 2010 and due 2009 to 2029 with weighted-average interest rate of 1.41% at March 31, 2009:			
Secured	**¥ –**	¥ 1,293	**$ –**
Unsecured	**595,581**	715,577	**6,404,097**
Unsecured yen bonds, due 2010 to 2016 with interest ranging from 1.05% to 2.20% at March 31, 2010 and due 2010 to 2016 with interest ranging from 1.20% to 2.20% at March 31, 2009	**240,000**	130,000	**2,580,645**
Interest deferrable and early redeemable subordinated bonds:			
Due 2069 with interest rate of 7.50% at March 31, 2010	**180,000**	–	**1,935,484**
Zero Coupon Convertible Bonds with stock acquisition rights:			
Due 2009 convertible	**–**	41,420	**–**
Due 2011 convertible at ¥542 per share at March 31, 2010	**95,010**	95,010	**1,021,613**
Euro yen medium-term notes of subsidiaries, due 2011 to 2014 with interest ranging from 1.31% to 1.67% at March 31, 2010 and due 2009 to 2014 with interest ranging from 0.60% to 2.60% at March 31, 2009	**992**	23,586	**10,667**
Capital lease obligations	**55,372**	56,834	**595,398**
	1,166,955	1,063,720	**12,547,904**
Less-Portion due within one year	**(206,017)**	(285,913)	**(2,215,237)**
	¥ 960,938	¥ 777,807	**$ 10,332,667**

Certain of the secured loan agreements contain provisions, which permit the lenders to require additional collateral. Substantially all of the unsecured loan agreements permit the lenders to require collateral or guarantees for such loans. Certain of the secured and unsecured loan agreements may require prior approval by the banks and trustees before any distributions (including cash dividends) may be made from current or retained earnings.

Assets pledged as collateral for short-term borrowings at March 31, 2010 were property, plant, equipment, long-term receivables and investments with a book value of ¥2,499 million ($26,871 thousand).

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

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	¥ 190,085	$ 2,043,925
2012	207,255	2,228,549
2013	182,072	1,957,764
2014	226,826	2,438,989
2015	34,498	370,946
Thereafter	270,847	2,912,333
	¥ 1,111,583	$ 11,952,506

12. ISSUANCE OF CONVERTIBLE BOND

In July, 2004, Toshiba Corporation issued ¥50,000 million Zero Coupon Convertible Bonds due 2009 (the "2009 Bonds") and ¥100,000 million Zero Coupon Convertible Bonds due 2011 (the "2011 Bonds").

The bonds include stock acquisition rights which entitle bondholders to acquire common stock under certain circumstances, and are exercisable on and after August 4, 2004 up to, and including, July 7, 2009 (in the case of the 2009 Bonds) and up to, and including, July 7, 2011 (in the case of the 2011 Bonds).

About the 2009 Bonds, exercisable period of the stock acquisition rights ended, and the principal amount of Bonds was redeemed at maturity.

The 2011 Bonds initial conversion prices are ¥542, subject to adjustment for certain events such as a stock split, consolidation of stock or issuance of stock at a consideration per share which is less than the current market price.

(Conditions allowing exercise of stock acquisition rights)

The period prior to (but not including) July 21, 2008 (in the case of the 2009 Bonds) or July 21, 2010 (in the case of the 2011 Bonds)	In the case that as of the last trading day of any calendar quarter, the closing price of the shares for any 20 trading days in a period of 30 consecutive trading days ending on the last trading day of such quarter is more than 120% of the conversion price in effect on each such trading day.
The period on or after July 21, 2008 (in the case of the 2009 Bonds) or July 21, 2010 (in the case of the 2011 Bonds)	At any time after the closing price of the shares on at least one trading day is more than 120% of the conversion price in effect on each such trading day.

The 2009 Bonds and the 2011 Bonds were not converted into shares of common stock for the year ended March 31, 2010.

The 2009 Bonds and the 2011 Bonds were converted into 17,035 shares and 553,505 shares of common stock for the year ended March 31, 2009. In accordance with the Corporation Law of Japan, the issuance of common stock in connection with the conversion of convertible bonds is accounted for by crediting one-half or more of the conversion price to common stock and the remainder to additional paid-in capital.

The additional 175,295,212 shares relating to the potential conversion of the 2011 Bonds are excluded from the calculation of net loss per share attributable to shareholders of Toshiba Corporation for the year ended March 31, 2010 due to their anti-dilutive effect.

The additional 70,562,186 shares and 175,295,212 shares relating to the potential conversion of the 2009 Bonds and the 2011 Bonds are excluded from the calculation of net loss per share attributable to shareholders of Toshiba Corporation for the year ended March 31, 2009 due to their anti-dilutive effect.

13. ACCRUED PENSION AND SEVERANCE COSTS

All employees who retire or are terminated are usually entitled to lump-sum severance indemnities or pension benefits determined by reference to service credits allocated to employees each year according to the regulation of retirement benefit, length of service and conditions under which their employment terminates. The obligation for the severance indemnity benefit is provided for through accruals and funding of the defined benefit corporate pension plan.

Certain subsidiaries in Japan have tax-qualified non-contributory pension plans which cover all or a part of the indemnities payable to qualified employees at the time of termination. The funding policy for the plans is to contribute amounts required to maintain sufficient plan assets to provide for accrued benefits, subject to the limitation on deductibility imposed by Japanese income tax laws.

The changes in the benefit obligation and plan assets for the years ended March 31, 2010 and 2009 and the funded status at March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Change in benefit obligation:			
Benefit obligation at beginning of year	**¥ 1,380,791**	¥ 1,463,335	**$ 14,847,215**
Service cost	**47,904**	52,574	**515,097**
Interest cost	**44,282**	39,697	**476,151**
Plan participants' contributions	**3,889**	3,940	**41,817**
Plan amendments	**108**	(1,694)	**1,161**
Actuarial loss (gain)	**109,403**	(99,518)	**1,176,376**
Benefits paid	**(77,711)**	(73,622)	**(835,602)**
Acquisitions and divestitures	**11,273**	2,813	**121,215**
Foreign currency exchange impact	**(3,903)**	(6,734)	**(41,968)**
Benefit obligation at end of year	**¥ 1,516,036**	¥ 1,380,791	**$ 16,301,462**
Change in plan assets:			
Fair value of plan assets at beginning of year	**¥ 660,699**	¥ 828,457	**$ 7,104,290**
Actual return on plan assets	**117,554**	(187,207)	**1,264,022**
Employer contributions	**60,896**	64,358	**654,796**
Plan participants' contributions	**3,889**	3,940	**41,817**
Benefits paid	**(47,262)**	(46,165)	**(508,194)**
Acquisitions and divestitures	**7,586**	3,171	**81,570**
Foreign currency exchange impact	**(2,479)**	(5,855)	**(26,656)**
Fair value of plan assets at end of year	**¥ 800,883**	¥ 660,699	**$ 8,611,645**
Funded status	**¥ (715,153)**	¥ (720,092)	**$ (7,689,817)**

Amounts recognized in the consolidated balance sheet at March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Other assets	**¥ 3,312**	¥ –	**$ 35,613**
Other current liabilities	**(719)**	(696)	**(7,731)**
Accrued pension and severance costs	**(717,746)**	(719,396)	**(7,717,699)**
	¥ (715,153)	¥ (720,092)	**$ (7,689,817)**

Amounts recognized in accumulated other comprehensive loss at March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Unrecognized actuarial loss	**¥ 554,728**	¥ 572,120	**$ 5,964,818**
Unrecognized prior service cost	**(24,655)**	(27,440)	**(265,108)**
	¥ 530,073	¥ 544,680	**$ 5,699,710**

The accumulated benefit obligation at March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Accumulated benefit obligation	**¥ 1,429,659**	¥ 1,299,807	**$ 15,372,677**

The components of the net periodic pension and severance cost for the years ended March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Service cost	**¥ 47,904**	¥ 52,574	**$ 515,097**
Interest cost on projected benefit obligation	**44,282**	39,697	**476,151**
Expected return on plan assets	**(24,218)**	(31,708)	**(260,409)**
Amortization of prior service cost	**(2,762)**	(2,210)	**(29,699)**
Recognized actuarial loss	**32,426**	21,884	**348,667**
Settlement loss	**114**	–	**1,225**
Net periodic pension and severance cost	**¥ 97,746**	¥ 80,237	**$ 1,051,032**

Other changes in plan assets and benefit obligation recognized in the other comprehensive loss for the years ended March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Current year actuarial loss	**¥ 16,067**	¥ 119,397	**$ 172,763**
Recognized actuarial loss	**(32,426)**	(21,884)	**(348,667)**
Prior service cost due to plan amendments	**38**	(1,694)	**409**
Amortization of prior service cost	**2,762**	2,210	**29,699**
	¥ (13,559)	¥ 98,029	**$ (145,796)**

The estimated prior service cost and actuarial loss that will be amortized from accumulated other comprehensive loss into net periodic pension and severance cost over the next year are summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Year ending March 31	2011	2011
Prior service cost	¥ (2,268)	$ (24,387)
Actuarial loss	30,356	326,409

The Company expects to contribute ¥55,363 million ($595,301 thousand) to its defined benefit plans in the year ending March 31, 2011.
The following benefit payments are expected to be paid:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2011	¥ 83,177	$ 894,376
2012	88,990	956,882
2013	86,698	932,237
2014	85,153	915,624
2015	90,247	970,398
2016 - 2020	479,964	5,160,903

Weighted-average assumptions used to determine benefit obligations as of March 31, 2010 and 2009 and net periodic pension and severance cost for the years then ended are as follows:

March 31	**2010**	2009
Discount rate	**2.7%**	3.3%
Rate of compensation increase	**3.1%**	3.1%

Year ended March 31	**2010**	2009
Discount rate	**3.3%**	2.8%
Expected long-term rate of return on plan assets	**3.5%**	3.9%
Rate of compensation increase	**3.1%**	3.0%

The Company determines the expected long-term rate of return in consideration of the target allocation of the plan assets, the current expectation of long-term returns on the assets and actual returns on plan assets.

The Company's investment policies and strategies are to assure adequate plan assets to provide for future payments of pension and severance benefits to participants, with reasonable risks. The Company designs the basic target allocation of the plan assets to mirror the best portfolio based on estimation of mid-term and long-term return on the investments. The Company periodically reviews the actual return on the investments and adjusts the portfolio to achieve the assumed long-term rate of return on the investments. The Company targets its investments in equity securities at 40 percent or more of total investments, and investments in equity and debt securities at 75 percent or more of total investments.

The equity securities are selected primarily from stocks that are listed on the securities exchanges. Prior to investing, the Company has investigated the business condition of the investee companies, and appropriately diversified investments by type of industry and other relevant factors. The debt securities are selected primarily from government bonds, municipal bonds and corporate bonds. Prior to investing, the Company has investigated the quality of the issue, including rating, interest rate, and repayment dates and has appropriately diversified the investments. Pooled funds are selected using strategies consistent with the equity securities and debt securities described above. Hedge funds are selected following a variety of strategies and fund managers, and the Company has appropriately diversified the investments. Real estate is selected for the eligibility of investment and expected return and other relevant factors, and the Company has appropriately diversified the investments. As for investments in life insurance company general accounts, the contracts with the insurance companies include a guaranteed interest and return of capital.

The three levels of input used to measure fair value are more fully described in Note 5. The plan assets that are measured at fair value at March 31, 2010 by asset category are as follows:

	Millions of yen			
March 31, 2010	Level 1	Level 2	Level 3	Total
Cash and cash equivalents:	¥ 16,633	¥ –	¥ –	¥ 16,633
Equity securities:				
Japanese companies	111,412	–	–	111,412
Foreign companies	42,033	–	–	42,033
Pooled funds	–	249,493	–	249,493
Debt securities:				
Government bonds	82,272	–	–	82,272
Municipal bonds	–	955	–	955
Corporate bonds	–	19,001	–	19,001
Pooled funds	–	148,924	–	148,924
Other assets:				
Hedge funds	–	–	91,530	91,530
Real estate	–	–	22,871	22,871
Life insurance company general accounts	–	10,781	–	10,781
Other assets	–	4,978	–	4,978
Total	¥ 252,350	¥ 434,132	¥ 114,401	¥ 800,883

	Thousands of U.S. dollars			
March 31, 2010	Level 1	Level 2	Level 3	Total
Cash and cash equivalents:	$ 178,849	$ –	$ –	$ 178,849
Equity securities:				
Japanese companies	1,197,978	–	–	1,197,978
Foreign companies	451,968	–	–	451,968
Pooled funds	–	2,682,720	–	2,682,720
Debt securities:				
Government bonds	884,645	–	–	884,645
Municipal bonds	–	10,269	–	10,269
Corporate bonds	–	204,312	–	204,312
Pooled funds	–	1,601,333	–	1,601,333
Other assets:				
Hedge funds	–	–	984,194	984,194
Real estate	–	–	245,925	245,925
Life insurance company general accounts	–	115,925	–	115,925
Other assets	–	53,527	–	53,527
Total	$ 2,713,440	$ 4,668,086	$ 1,230,119	$ 8,611,645

Notes: 1) These funds invest in listed equity securities consisting of approximately 40% Japanese companies and 60% foreign companies.
2) This category includes approximately 60% Japanese government bonds and 40% foreign government bonds.
3) These funds invest in approximately 30% Japanese government bonds, 30% foreign government bonds, 40% municipal bonds and corporate bonds.

Each level into which assets are categorized is based on inputs used to measure the fair value of the assets, and does not necessarily indicate the risks or ratings of the assets.

Level 1 plan assets represent marketable equity securities and government bonds, which are valued based on quoted market prices in active markets with sufficient volume and frequency of transactions. Level 2 plan assets represent pooled funds that invest in equity securities and debt securities, corporate bonds and life insurance company general accounts. Pooled funds are valued at their net asset values that are calculated by the sponsor of the fund. Corporate bonds are valued based on quoted market prices for identical assets in inactive markets. Life insurance company general accounts are valued based on contracts. Level 3 plan assets represent hedge funds and real estate, which are valued based on unobservable inputs as the markets for the assets are not active at the measurement date.

An analysis of the changes in Level 3 plan assets measured at fair value for the year ended March 31, 2010 are as follows:

	Millions of yen		
Year ended March 31, 2010	Hedge funds	Real estate	Total
Balance at beginning of year	¥ 84,898	¥ 22,928	¥ 107,826
Actual return:			
Relating to assets sold	(2,191)	–	(2,191)
Relating to assets still held	10,877	(1,588)	9,289
Purchases, issuances and settlements	(2,054)	1,531	(523)
Balance at end of year	¥ 91,530	¥ 22,871	¥ 114,401

	Thousands of U.S. dollars		
Year ended March 31, 2010	Hedge funds	Real estate	Total
Balance at beginning of year	$ 912,882	$ 246,538	$ 1,159,420
Actual return:			
Relating to assets sold	(23,559)	–	(23,559)
Relating to assets still held	116,957	(17,075)	99,882
Purchases, issuances and settlements	(22,086)	16,462	(5,624)
Balance at end of year	$ 984,194	$ 245,925	$ 1,230,119

Certain of the Company's subsidiaries provide certain health care and life insurance benefits to retired employees. Such benefits have no material impact on the consolidated financial statements of the Company.

14. RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as incurred and amounted to ¥310,651 million ($3,340,333 thousand) and ¥355,980 million for the years ended March 31, 2010 and 2009, respectively.

15. ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising costs amounted to ¥28,754 million ($309,183 thousand) and ¥46,501 million for the years ended March 31, 2010 and 2009, respectively.

16. OTHER INCOME AND OTHER EXPENSE

FOREIGN EXCHANGE GAINS AND LOSSES

For the years ended March 31, 2010 and 2009, the net foreign exchange impacts were ¥6,141 million ($66,032 thousand) gain and ¥35,791 million loss, respectively.

GAINS ON SALES OF SECURITIES

The gains on sales of securities for the years ended March 31, 2010 and 2009 were ¥1,855 million ($19,946 thousand) and ¥76,430 million, respectively. For the year ended March 31, 2009, the gains on sales of securities were related mainly to Toshiba building Co., Ltd. (NREG Toshiba building Co., Ltd.).

GAINS AND LOSSES ON SALES OR DISPOSAL OF FIXED ASSETS

For the years ended March 31, 2010 and 2009, the sale and disposal of fixed assets resulted in net impacts of ¥20,073 million ($215,839 thousand) loss and ¥7,361 million gain, respectively. Gains on sales of fixed assets were ¥7,968 million ($85,677 thousand), and losses on disposal of fixed assets were ¥28,041 million ($301,516 thousand) for the year ended March 31, 2010. Gains on sales of fixed assets were ¥22,674 million, and losses on disposal of fixed assets were ¥15,313 million for the year ended March 31, 2009.

17. IMPAIRMENT OF LONG-LIVED ASSETS

Due to a decrease in profitability of the following business, the Group recorded impairment losses related to the property, plant and equipment, and finite-lived intangible assets. Impairment losses recorded for the year ended March 31, 2010 were consisted of ¥3,203 million ($34,441 thousand) in the LCD business, ¥4,423 million ($47,559 thousand) in the Visual Products business, and ¥4,531 million ($48,720 thousand) in the PC business. The impairment losses recognized for the year ended March 31, 2009, except for Mobile Broadcasting Business, consisted of ¥20,749 million in the Visual Products business and ¥21,019 million in the PC business. These impairment losses are included in cost of sales in the consolidated statement of income.

For the year ended March 31, 2010, the Company recorded impairment loss of ¥15,817 million ($170,075 thousand) related to the stock transfer agreement of AFPD PTE., LTD. ("AFPD"), a manufacturing subsidiary in Singapore. The Company reduced book value of property, plant and equipment of AFPD in accordance with the transfer price of AFPD stock. This impairment loss is included in other expense in the accompanying consolidated statement of income. As of March 31, 2010, the carrying amount of Property, plant and equipment in AFPD is ¥10,618 million ($114,172 thousand). The Company expects to transfer AFPD stock on July 1, 2010.

Impairment losses in the LCD business are included in the Electronic Devices segment, while those in the Visual Products and the PC businesses are included in the Digital Products segment.

18. INCOME TAXES

The Company is subject to a number of different income taxes which, in the aggregate, result in an effective statutory tax rate in Japan of approximately 40.7 percent for the years ended March 31, 2010 and 2009.

A reconciliation table between the reported income tax expense and the amount computed by multiplying the income (loss) from continuing operations, before income taxes and noncontrolling interests by the applicable statutory tax rate is as follows:

Toshiba Corporation and Subsidiaries
March 31, 2010

Year ended March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Expected income tax expense (benefit)	¥ (5,837)	¥ (136,776)	$ (62,764)
Increase (decrease) in taxes resulting from:			
Tax credits	(2,106)	(3,590)	(22,645)
Non-deductible expenses for tax purposes	3,565	2,255	38,333
Dividends	228	19,985	2,452
Net changes in valuation allowance	33,455	168,815	359,731
Effect of income tax rate change	–	3,023	–
Net decrease in deferred tax liabilities due to the enacted change in tax law	–	(12,819)	–
Tax rate difference relating to foreign subsidiaries	(11,342)	(3,300)	(121,957)
Deferred tax liabilities on undistributed earnings of foreign subsidiaries	3,741	9,880	40,226
Other	3,085	(6,072)	33,172
Income tax expense	¥ 24,789	¥ 41,401	$ 266,548

The significant components of deferred tax assets and deferred tax liabilities as of March 31, 2010 and 2009 are as follows:

March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Gross deferred tax assets:			
Inventories	¥ 20,478	¥ 22,210	$ 220,194
Accrued pension and severance costs	116,687	114,158	1,254,699
Tax loss carryforwards	288,567	247,304	3,102,871
Pension liability adjustment	210,651	210,906	2,265,064
Accrued expenses	133,759	142,157	1,438,269
Depreciation and amortization	66,658	81,551	716,753
Other	143,412	113,058	1,542,064
	980,212	931,344	10,539,914
Valuation allowance for deferred tax assets	(303,547)	(286,547)	(3,263,946)
Deferred tax assets	¥ 676,665	¥ 644,797	$ 7,275,968
Gross deferred tax liabilities:			
Inventories	¥ (6,119)	¥ (6,702)	$ (65,796)
Property, plant and equipment	(19,755)	(24,204)	(212,419)
Unrealized gains on securities	(39,550)	(17,808)	(425,269)
Gain on securities contributed to employee retirement benefit trusts	(17,381)	(17,381)	(186,893)
Undistributed earnings of foreign subsidiaries and affiliates	(56,122)	(44,524)	(603,462)
Goodwill and other intangible assets	(70,636)	(69,903)	(759,527)
Other	(12,365)	(12,069)	(132,957)
Deferred tax liabilities	(221,928)	(192,591)	(2,386,323)
Net deferred tax assets	¥ 454,737	¥ 452,206	$ 4,889,645

Deferred tax liabilities included in other current liabilities and other liabilities at March 31, 2010 and 2009 were ¥98,990 million ($1,064,409 thousand) and ¥70,056 million, respectively.

The net changes in the total valuation allowance for the years ended March 31, 2010 and 2009 were an increase of ¥17,000 million ($182,796 thousand) and an increase of ¥170,408 million, respectively.

The Company's tax loss carryforwards for each of the corporate and local taxes at March 31, 2010 amounted to ¥669,247 million ($7,196,204 thousand) and ¥726,725 million ($7,814,247 thousand), respectively, the majority of which will expire during the period from 2011 through 2017. The Company utilized tax loss carryforwards of ¥24,240 million ($260,645 thousand) and ¥10,829 million ($116,441 thousand) to reduce current corporate and local taxes, respectively, during the year ended March 31, 2010.

Realization of tax loss carryforwards and other deferred tax assets is dependent on the Company generating sufficient taxable income prior to their expiration or the Company exercising certain available tax strategies. Although realization is not assured, management believes it is more likely than not that all of the deferred tax assets, less the valuation allowance, will be realized. The amount of such net deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced.

A reconciliation table of the beginning and ending amount of unrecognized tax benefits is as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Balance at beginning of year	**¥ 4,360**	¥ 5,103	**$ 46,882**
Additions for tax positions of the current year	**804**	378	**8,645**
Additions for tax positions of prior years	**40**	1,263	**430**
Reductions for tax positions of prior years	**(464)**	(389)	**(4,989)**
Lapse of statute of limitations or closed audits	**(29)**	(1,875)	**(312)**
Foreign currency translation adjustments	**(218)**	(120)	**(2,344)**
Balance at end of year	**¥ 4,493**	¥ 4,360	**$ 48,312**

The total amounts of unrecognized tax benefits that would reduce the effective tax rate, if recognized, are ¥3,838 million ($41,269 thousand) and ¥922 million at March 31, 2010 and 2009, respectively.

The Company recognizes interest and penalties accrued related to unrecognized tax benefits in income taxes in the consolidated statement of income. Both interest and penalties accrued as of March 31, 2010 and 2009, and interest and penalties included in income taxes for the years ended March 31, 2010 and 2009 were not material.

The Company believes its estimates and assumptions of unrecognized tax benefits are reasonable and based on each of the items of which the Company is aware at March 31, 2010, no significant changes to the unrecognized tax benefits are expected within the next twelve months.

The Company files income tax returns in Japan and various foreign tax jurisdictions. In Japan, the Company is no longer subject to regular income tax examinations by the tax authority for years before the fiscal year ended March 31, 2008 with few exceptions. In other major foreign tax jurisdictions, the Company is no longer subject to regular income tax examinations by tax authorities for years before the fiscal year ended March 31, 2006 with few exceptions.

19. EQUITY

COMMON STOCK

The total number of authorized shares of the Company is 10,000,000,000.

The change in the total number of shares issued for the years ended March 31, 2010 and 2009 are as follows:

	Shares	
Year ended March 31	**2010**	2009
Shares issued at beginning of year	**3,237,602,026**	3,237,031,486
Increase due to issuance of new shares	**1,000,000,000**	–
Increase due to conversion of convertible bonds with stock acquisition rights	**–**	570,540
Shares at end of period	**4,237,602,026**	3,237,602,026

Toshiba Corporation issued 897,000,000 shares by way of public offering on June 3, 2009 and 103,000,000 shares by way of third-party allotment on June 23, 2009, respectively. As a result, stated capital and additional paid-in capital of the Company increased by ¥159,620 million ($1,716,344 thousand) and ¥157,921 million ($1,698,075 thousand) from both issuances, respectively.

RETAINED EARNINGS

Retained earnings at March 31, 2010 and 2009 included a legal reserve of ¥25,103 million ($269,925 thousand) and ¥22,429 million, respectively. The Corporation Law of Japan provides that an amount equal to 10% of distributions from retained earnings paid by Toshiba Corporation and its Japanese subsidiaries be appropriated as a legal reserve. No further appropriations are required when the total amount of the additional paid-in capital and the legal reserve equals 25% of their respective stated capital. The Corporation Law of Japan also provides that additional paid-in capital and legal reserve are available for appropriations by the resolution of the stockholders.

The amount of retained earnings available for dividends is based on Toshiba Corporation's retained earnings determined in accordance with generally accepted accounting principles in Japan and the Corporation Law of Japan.

Retained earnings at March 31, 2010 included the Company's equity in undistributed earnings of affiliated companies accounted for by the equity method in the amount of ¥60,122 million ($646,473 thousand).

ACCUMULATED OTHER COMPREHENSIVE LOSS

An analysis of the changes in accumulated other comprehensive loss, net of tax, for the years ended March 31, 2010 and 2009 are shown below:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Net unrealized gains and losses on securities:			
Balance at beginning of year	**¥ 21,639**	¥ 53,461	**$ 232,677**
Current year change	**51,587**	(31,822)	**554,699**
Balance at end of year	**¥ 73,226**	¥ 21,639	**$ 787,376**
Foreign currency translation adjustments:			
Balance at beginning of year	**¥ (222,619)**	¥ (117,426)	**$ (2,393,753)**
Current year change	**(8,511)**	(105,193)	**(91,516)**
Balance at end of year	**¥ (231,130)**	¥ (222,619)	**$ (2,485,269)**
Pension liability adjustments:			
Balance at beginning of year	**¥ (314,578)**	¥ (256,839)	**$ (3,382,559)**
Current year change	**15,899**	(57,739)	**170,957**
Balance at end of year	**¥ (298,679)**	¥ (314,578)	**$ (3,211,602)**
Net unrealized gains and losses on derivative instruments:			
Balance at beginning of year	**¥ (2,284)**	¥ (1,284)	**$ (24,559)**
Current year change	**(377)**	(1,000)	**(4,054)**
Balance at end of year	**¥ (2,661)**	¥ (2,284)	**$ (28,613)**
Total accumulated other comprehensive loss:			
Balance at beginning of year	**¥ (517,842)**	¥ (322,088)	**$ (5,568,194)**
Current year change	**58,598**	(195,754)	**630,086**
Balance at end of year	**¥ (459,244)**	¥ (517,842)	**$ (4,938,108)**

Tax effects allocated to each component of other comprehensive income (loss) for the years ended March 31, 2010 and 2009 are shown below:

	Millions of yen		
	Pre-tax amount	Tax benefit (expense)	Net-of-tax amount
For the year ended March 31, 2010:			
Net unrealized gains and losses on securities:			
Unrealized holding gains arising during year	**¥ 71,573**	**¥ (21,747)**	**¥ 49,826**
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	**2,972**	**(1,211)**	**1,761**
Foreign currency translation adjustments:			
Currency translation adjustments arising during year	**(7,058)**	**(1,707)**	**(8,765)**
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	**254**	**–**	**254**
Pension liability adjustments:			
Pension liability adjustments arising during year	**(1,155)**	**223**	**(932)**
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	**28,383**	**(11,552)**	**16,831**
Net unrealized gains and losses on derivative instruments:			
Unrealized losses arising during year	**(660)**	**225**	**(435)**
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	**64**	**(6)**	**58**
Other comprehensive income	**¥ 94,373**	**¥ (35,775)**	**¥ 58,598**
For the year ended March 31, 2009:			
Net unrealized gains and losses on securities:			
Unrealized holding losses arising during year	¥ (96,887)	¥ 39,103	¥ (57,784)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	43,881	(17,919)	25,962
Foreign currency translation adjustments:			
Currency translation adjustments arising during year	(107,169)	1,974	(105,195)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	2	–	2
Pension liability adjustments:			
Pension liability adjustments arising during year	(117,018)	47,612	(69,406)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	19,674	(8,007)	11,667
Net unrealized gains and losses on derivative instruments:			
Unrealized gains arising during year	4,270	(1,754)	2,516
Less: reclassification adjustment for gains included in net loss attributable to shareholders of Toshiba Corporaion	(5,930)	2,414	(3,516)
Other comprehensive loss	¥ (259,177)	¥ 63,423	¥ (195,754)

	Thousands of U.S. dollars		
	Pre-tax amount	Tax benefit (expense)	Net-of-tax amount
For the year ended March 31, 2010:			
Net unrealized gains and losses on securities:			
Unrealized holding gains arising during year	$ 769,602	$ (233,839)	$ 535,763
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	31,957	(13,021)	18,936
Foreign currency translation adjustments:			
Currency translation adjustments arising during year	(75,893)	(18,355)	(94,248)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	2,731	–	2,731
Pension liability adjustments:			
Pension liability adjustments arising during year	(12,419)	2,398	(10,021)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	305,194	(124,215)	180,979
Net unrealized gains and losses on derivative instruments:			
Unrealized losses arising during year	(7,097)	2,419	(4,678)
Less: reclassification adjustment for losses included in net loss attributable to shareholders of Toshiba Corporation	688	(64)	624
Other comprehensive income	$ 1,014,763	$ (384,677)	$ 630,086

TAKEOVER DEFENSE MEASURE

The Company introduced a plan for countermeasures to any large-scale acquisitions of the Company's shares (the "Plan"), based on the shareholders' approval of the Plan for the purpose of protection and enhancement of the corporate value of the Company and the common interests of shareholders.

Specifically, if an acquirer commences or plans to commence an acquisition or a tender offer that would result in the acquirer holding 20% or more of the shares issued by the Company, the Company will require the acquirer to provide the necessary information in advance to its board of directors. The Special Committee that solely consists of outside directors who are independent from the Company's management will, at its discretion, obtain advice from outside experts, evaluate and consider the details of the acquisition, disclose to the Company's shareholders the necessary information regarding the acquisition, evaluate, consider and disclose any alternative proposal presented by the Company's representative executive officers, and negotiate with the acquirer. If the acquirer does not comply with the procedures under the Plan, or the acquisition would damage the corporate value of the Company or the common interests of its shareholders, and if the acquisition satisfies the triggering requirements set out in the Plan, the countermeasures (a gratis allotment of stock acquisition rights (shinkabu yoyakuken no mushou wariate), with a condition of which will be that they cannot be exercised by acquirers or the like and subject to call to the effect that the Company can acquire stock acquisition rights from those other than such acquirers in exchange for shares of the Company) are to be implemented in accordance with the recommendation by the Special Committee or the resolution passed at the general meeting for confirming shareholders' intention and the Company will ensure the corporate value of the Company and the common interests of shareholders.

20. NET EARNINGS LOSSES PER SHARE

The following reconciliation table of the numerators and denominators sets forth the computation of basic and diluted net losses per share attributable to shareholders of Toshiba Corporation for the years ended March 31, 2010 and 2009.

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Loss from continuing operations attributable to shareholders of Toshiba Corporation	**¥ (50,035)**	¥ (374,124)	**$ (538,011)**
Loss from discontinued operations attributable to shareholders of Toshiba Corporation	**(3,908)**	(24,754)	**(42,021)**
Net loss attributable to shareholders of Toshiba Corporation	**¥ (53,943)**	¥ (398,878)	**$ (580,032)**

	Thousands of shares	
Year ended March 31	**2010**	2009
Weighted-average number of shares of common stock outstanding for the year	**4,004,801**	3,235,763
Incremental shares from assumed conversions of dilutive convertible debentures	**–**	–
Weighted-average number of shares of diluted common stock outstanding for the year	**4,004,801**	3,235,763

	Yen		U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Losses from continuing operations per share attributable to shareholders of Toshiba Corporation:			
–Basic	**¥ (12.49)**	¥ (115.62)	**$ (0.13)**
–Diluted	**(12.49)**	(115.62)	**(0.13)**
Losses from discontinued operations per share attributable to shareholders of Toshiba Corporation:			
–Basic	**¥ (0.98)**	¥ (7.65)	**$ (0.01)**
–Diluted	**(0.98)**	(7.65)	**(0.01)**
Net losses per share attributable to shareholders of Toshiba Corporation:			
–Basic	**¥ (13.47)**	¥ (123.27)	**$ (0.14)**
–Diluted	**(13.47)**	(123.27)	**(0.14)**

Due to their anti-dilutive effect, incremental shares from assumed conversions of dilutive convertible debentures are excluded from the calculation of diluted net losses per share attributable to shareholders of the Company for the years ended March 31, 2010 and 2009.

21. FINANCIAL INSTRUMENTS

(1) DERIVATIVE FINANCIAL INSTRUMENTS

The Company operates internationally, giving rise to exposure to market risks from fluctuations in foreign currency exchange and interest rates. In the normal course of its risk management efforts, the Company employs a variety of derivative financial instruments, which are consisted principally of forward exchange contracts, interest rate swap agreements, currency swap agreements and currency options to reduce its exposures. The Company has policies and procedures for risk management and the approval, reporting and monitoring of derivative financial instruments. The Company's policies prohibit holding or issuing derivative financial instruments for trading purposes.

The Company is exposed to credit-related losses in the event of nonperformance by counterparties to derivative financial instruments, but the Company does not anticipate any credit-related loss from nonperformance by the counterparties because the counterparties are financial institutions of high credit standing and contracts are diversified across a number of major financial institutions.

The Company has entered into forward exchange contracts with financial institutions as hedges against fluctuations in foreign currency exchange rates on monetary assets and liabilities denominated in foreign currencies. The forward exchange contracts related to accounts receivable and payable, and commitments on future trade transactions denominated in foreign currencies, mature primarily within a few years of the balance sheet date.

Interest rate swap agreements, currency swap agreements and currency options are used to limit the Company's exposure to losses in relation to underlying debt instruments and accounts receivable and payable denominated in foreign currencies resulting from adverse fluctuations in foreign currency exchange and interest rates. These agreements mature during the period 2010 to 2015.

Forward exchange contracts, interest rate swap agreements and currency swap agreements are designated as either fair value hedges or cash flow hedges, except for some contracts, depending on accounts receivable and payable denominated in foreign currencies or commitments on future trade transactions and the interest rate characteristics of the underlying debt as discussed below.

Fair Value Hedge Strategy

The forward exchange contracts and currency swap agreements utilized by the Company effectively reduce fluctuation in fair value of accounts receivable and payable denominated in foreign currencies.

The interest rate swap agreements utilized by the Company effectively convert a portion of its fixed-rate debt to a floating-rate basis.

The gain or loss on the derivative financial instruments designated as fair value hedges is offset by the loss or gain on the hedged items in the same location of the consolidated statement of income.

Cash Flow Hedge Strategy

The forward exchange contracts utilized by the Company effectively reduce fluctuation in cash flow from commitments on future trade transactions denominated in foreign currencies for the next 5 years.

The interest rate swap agreements utilized by the Company effectively convert a portion of its floating-rate debt to a fixed-rate basis for the next 6 years.

The Company expects to reclassify ¥24 million ($258 thousand) of net income on derivative financial instruments from accumulated other comprehensive loss to net income (loss) attributable to shareholders of Toshiba Corporation during the next 12 months due to the collection of accounts receivable denominated in foreign currencies and the payments of accounts payable denominated in foreign currencies and variable interest associated with the floating-rate debts.

Derivatives Not Designated as Hedging Instruments Strategy

The Company has entered into certain forward exchange contracts, interest rate swap agreements, currency swap agreements and currency options to offset the earnings impact related to fluctuations in foreign currency exchange rates on monetary assets and liabilities denominated in foreign currencies and in interest rates on debt instruments. Although some of these contracts have not been designated as hedges as required in order to apply hedge accounting, the contracts are effective from an economic perspective. The changes in the fair value of those contracts are recorded in earnings immediately.

The Company's forward exchange contract amounts, the aggregate notional principal amounts of interest rate swap agreements, currency swap agreements and currency options outstanding at March 31, 2010 and 2009 are summarized below:

March 31	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Forward exchange contracts:			
To sell foreign currencies	¥ **183,818**	¥ 196,828	$ **1,976,538**
To buy foreign currencies	**133,862**	162,506	**1,439,376**
Interest rate swap agreements	**249,050**	270,300	**2,677,957**
Currency swap agreements	**182,468**	86,021	**1,962,022**
Currency options	**41,984**	–	**451,441**

(2) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of the Company's financial instruments and the location in the consolidated balance sheet at March 31, 2010 and 2009 are summarized as follows:

March 31	Location	Millions of yen 2010	2009	Thousands of U.S. dollars 2010
Derivatives designated as hedging instruments:				
Assets:				
Forward exchange contracts	Prepaid expenses and other current assets	¥ **323**	¥ 734	$ **3,473**
Interest rate swap agreements	Prepaid expenses and other current assets	**9**	73	**97**
Currency swap agreements	Prepaid expenses and other current assets	**255**	207	**2,742**
Liabilities:				
Forward exchange contracts	Other current liabilities	**(506)**	(6,081)	**(5,441)**
Interest rate swap agreements	Other liabilities	**(5,168)**	(2,541)	**(55,570)**
Currency swap agreements	Other liabilities	**(409)**	–	**(4,398)**
Derivatives not designated as hedging instruments:				
Assets:				
Forward exchange contracts	Prepaid expenses and other current assets	**1,163**	–	**12,505**
Interest rate swap agreements	Prepaid expenses and other current assets	**–**	1	**–**
Liabilities:				
Forward exchange contracts	Other current liabilities	**(807)**	(4,325)	**(8,677)**
Currency swap agreements	Other current liabilities	**(13)**	–	**(140)**
Currency options	Other current liabilities	**(162)**	–	**(1,742)**

	Millions of yen			
	2010		2009	
March 31	Carrying amount	Fair value	Carrying amount	Fair value
Nonderivatives:				
Liabilities:				
Long-term debt, including current portion	¥ **(1,111,583)**	¥ **(1,121,241)**	¥ (1,006,886)	¥ (997,283)

	Thousands of U.S. dollars	
	2010	
March 31	Carrying amount	Fair value
Nonderivatives:		
Liabilities:		
Long-term debt, including current portion	$ **(11,952,506)**	$ **(12,056,355)**

The above table excludes the financial instruments for which fair values approximate their carrying amounts and those related to leasing activities. The table also excludes marketable securities and other investments which are disclosed in Note 6.

In assessing the fair value of these financial instruments, the Company uses a variety of methods and assumptions, which are based on estimates of market conditions and risks existing at that time. For certain instruments, including cash and cash equivalents, notes and accounts receivable-trade, short-term borrowings, notes payable-trade, accounts payable-trade and accounts payable-other and accrued expenses, it is assumed that the carrying amount approximated fair value for the majority of these instruments because of their short maturities. Quoted market prices are used for a part of marketable securities and other investments. For long-term debt, fair value is estimated using market quotes, or where market quotes are not available, using estimated discounted future cash flows. Other techniques, such as estimated discounted value of future cash flows, and replacement cost, are used to determine fair value for the remaining financial instruments. These fair values are not necessarily indicative of the amounts that could be realized in a current market exchange.

The effect of derivative instruments on the consolidated statement of income for the year ended March 31, 2010 is as follows:

	Millions of yen				
	Amount of gain (loss) recognized in OCI	Amount of gain (loss) reclassified from accumulated OCI into income (loss)		Amount of gain (loss) recognized in income (loss) (Ineffective portion and amount excluded from effectiveness testing)	
	Amount recognized	Location	Amount recognized	Location	Amount recognized
Cash flow hedge:					
Forward exchange contracts	¥ 922	Other expense	¥ (58)	Other income	¥ 1,681
Interest rate swap agreements	(1,357)			Other expense	(2)

	Millions of yen	
	Amount of gain (loss) recognized in income (loss)	
	Location	Amount recognized
Derivatives not designated as hedging instruments:		
Forward exchange contracts	Other income	¥ 1,676
Currency options	Other expense	(162)

	Thousands of U.S. dollars				
	Amount of gain (loss) recognized in OCI	Amount of gain (loss) reclassified from accumulated OCI into income (loss)		Amount of gain (loss) recognized in income (loss) (Ineffective portion and amount excluded from effectiveness testing)	
	Amount recognized	Location	Amount recognized	Location	Amount recognized
Cash flow hedge:					
Forward exchange contracts	$ 9,914	Other expense	$ (624)	Other income	$ 18,075
Interest rate swap agreements	(14,592)			Other expense	(22)

	Thousands of U.S. dollars	
	Amount of gain (loss) recognized in income (loss)	
	Location	Amount recognized
Derivatives not designated as hedging instruments:		
Forward exchange contracts	Other income	$ 18,022
Currency options	Other expense	(1,742)

The effect of derivative instruments on the consolidated statement of income for the 3 months ended March 31, 2009 is as follows:

	Millions of yen				
	Amount of gain (loss) recognized in OCI	Amount of gain (loss) reclassified from accumulated OCI into income (loss)		Amount of gain (loss) recognized in income (loss) (Ineffective portion and amount excluded from effectiveness testing)	
	Amount recognized	Location	Amount recognized	Location	Amount recognized
Cash flow hedge:					
Forward exchange contracts	¥ 499	Other expense	¥ (281)	Other expense	¥ (64)
Interest rate swap agreements	394				

	Millions of yen	
	Amount of gain (loss) recognized in income (loss)	
	Location	Amount recognized
Derivatives not designated as hedging instruments:		
Forward exchange contracts	Other expense	¥ (1,106)
Interest rate swap agreements	Other income	2

22. LEASES

The Company leases manufacturing equipment, office and warehouse space, and certain other assets under operating leases. Rent expenses under such leases for the years ended March 31, 2010 and 2009 were ¥150,780 million ($1,621,290 thousand) and ¥128,010 million, respectively.

The Company also leases certain machinery and equipment which are accounted for as capital leases. As of March 31, 2010 and 2009, the costs under capital leases were approximately ¥88,977 million ($956,742 thousand) and ¥76,629 million, and the related accumulated amortization were approximately ¥34,098 million ($366,645 thousand) and ¥20,600 million, respectively.

As of March 31, 2010 and 2009, the costs under capital leases from TFC and Toshiba Medical Finance Co., Ltd., affiliates of the Company, were approximately ¥61,100 million ($656,989 thousand) and ¥60,000 million, and the related accumulated amortization were approximately ¥23,700 million ($254,839 thousand) and ¥15,700 million, respectively.

Minimum lease payments for the Company's capital and non-cancelable operating leases as of March 31, 2010 are as follows:

	Millions of yen		Thousands of U.S. dollars	
Year ending March 31	Capital leases	Operating leases	Capital leases	Operating leases
2011	¥ 17,649	¥ 84,901	$ 189,774	$ 912,914
2012	13,103	62,529	140,893	672,355
2013	8,045	46,058	86,506	495,247
2014	5,344	18,122	57,462	194,860
2015	3,286	7,415	35,333	79,731
Thereafter	17,317	27,865	186,204	299,624
Total minimum lease payments	64,744	¥ 246,890	696,172	$ 2,654,731
Executory costs	(2,954)		(31,763)	
Amounts representing interest	(6,418)		(69,011)	
Present value of net minimum lease payments	55,372		595,398	
Less-current portion	(15,932)		(171,312)	
	¥ 39,440		$ 424,086	

23. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments for the purchase of property, plant and equipment, and unconditional purchase obligation for license fee outstanding at March 31, 2010 totaled approximately ¥48,019 million ($516,333 thousand).

At March 31, 2010, contingent liabilities, other than guarantees disclosed in Note 24, approximated ¥1,439 million ($15,473 thousand) principally for recourse obligations related to notes receivable transferred.

24. GUARANTEES

GUARANTEES OF UNCONSOLIDATED AFFILIATES AND THIRD PARTY DEBT

The Company guarantees debt as well as certain financial obligations of unconsolidated affiliates and third parties to support the sale of the Company's products and services. Expiration dates vary from 2010 to 2020 or terminate on payment and/or cancellation of the obligation. A payment by the Company would be triggered by the failure of the guaranteed party to fulfill its obligation under the guarantee. The maximum potential payments under these guarantees were ¥95,735 million ($1,029,409 thousand) as of March 31, 2010.

GUARANTEES OF EMPLOYEES' HOUSING LOANS

The Company guarantees housing loans of its employees. The term of the guarantees is equal to the term of the related loans which range from 5 to 25 years. A payment would be triggered by failure of the guaranteed party to fulfill its obligation covered by the guarantee. The maximum potential payments under these guarantees were ¥9,745 million ($104,785 thousand) as of March 31, 2010. However, the Company expects that the majority of such payments would be reimbursed through the Company's insurance policy.

RESIDUAL VALUE GUARANTEES UNDER SALE AND LEASEBACK TRANSACTIONS

The Company has entered into several sale and leaseback transactions in which certain manufacturing equipment was sold and leased back. The Company may be required to make payments for residual value guarantees in connection with these transactions. The operating leases will expire on various dates through February 2014. The maximum potential payments by the Company for such residual value guarantees were ¥133,827 million ($1,439,000 thousand) at March 31, 2010.

GUARANTEES OF DEFAULTED NOTES AND ACCOUNTS RECEIVABLE

The Company has transferred trade notes receivable and trade accounts receivable under several securitization programs. Upon certain sales of trade notes and accounts receivable, the Company holds a repurchase obligation, which the Company is required to perform upon default of the trade notes and accounts receivable. The trade notes and accounts receivable generally mature within 3 months. The maximum potential payment for such repurchase obligation was ¥8,066 million ($86,731 thousand) as of March 31, 2010.

The carrying amounts of the liabilities for the Company's obligations under the guarantees described above at March 31, 2010 were not significant.

WARRANTY

Estimated warranty costs are accrued for at the time the product is sold to a customer. Estimates for warranty costs are made based primarily on historical warranty claim experience. The following is a reconciliation table of the product warranty accrual:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Balance at beginning of year	**¥ 38,837**	¥ 43,578	**$ 417,602**
Warranties issued	**35,269**	35,827	**379,237**
Change in consolidated subsidiaries	**5,187**	–	**55,774**
Settlements made	**(33,948)**	(37,512)	**(365,032)**
Foreign currency translation adjustments	**(975)**	(3,056)	**(10,484)**
Balance at end of year	**¥ 44,370**	¥ 38,837	**$ 477,097**

Change in consolidated subsidiaries includes the cost related to the acquisition of HDD business from Fujitsu Limited.

25. LEGAL PROCEEDINGS

In January 2007, the European Commission adopted a decision imposing fines on 19 companies, including Toshiba Corporation, for violating EU competition laws in the gas insulated switchgear market. Toshiba Corporation was individually fined €86.25 million and was also fined €4.65 million jointly and severally with Mitsubishi Electric Corporation. Following its own investigation, Toshiba Corporation contends that it has not found any infringement of EU competition laws, and it is bringing an action to the European Court of First Instance seeking annulment of the European Commission's decision.

The Company undertakes global business operations and is involved from time to time in disputes, including lawsuits and other legal proceedings and investigations by relevant authorities. There is a possibility that such case may arise in the future. Due to differences in judicial systems and the uncertainties inherent in such proceedings, the Company may be subject to a ruling requiring payment of amounts far exceeding its expectations. Any judgement or decision unfavorable to the Company could have a materially adverse effect on the Company's business, results of operations or financial condition. The possibility cannot be stated as nil that, under certain circumstances, an action is filed that has an extremely remote chance of a ruling that requires payment but involves an appeal for a significant amount of money.

The Company's Management believes that there are meritorious defenses to all of these legal procedures, including lawsuits and investigations. Based on the information currently available to both the Company and its legal counsel, Management believes that such legal procedures, if any, would not have a material adverse effect on the financial position or the results of operations of the Company.

The information provided is about the status as of the submission date of the annual securities report before correction.

26. ENVIRONMENTAL LIABILITIES

The Japanese environmental regulation, "Law Concerning Special Measure against poly chlorinated biphenyl ("PCB") waste" requires PCB waste holders to dispose of all PCB waste by July 2016. The Company accrued ¥10,297 million ($110,720 thousand) and ¥10,426 million at March 31, 2010 and 2009, respectively, for environmental remediation and restoration costs for products or equipment with PCB which some Toshiba operations in Japan have retained.

The Westinghouse Group, a consolidated subsidiaries of the Company, is subject to federal, state and local laws and regulations relating to the discharge of pollutants into the environment, the disposal of hazardous wastes and other related activities affecting the environment, and which have had and will continue to have an impact on the Company. It is difficult to estimate the timing and ultimate costs to be incurred in the future due to uncertainties about the status of laws, regulations and technology; the adequacy of information available for individual sites; the extended time periods over which site remediation occurs; the availability of waste disposal capacity; and the identification of new sites. The Company has, however, recognized an estimated liability of ¥15,175 million ($163,172 thousand) and ¥12,901 million as of March 31, 2010 and 2009, respectively, measured in current dollars, for those sites where it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

The accrual will be adjusted as assessment and remediation efforts progress or as additional technical or legal information become available. Management is of the opinion that the ultimate costs in excess of the amount accrued, if any, would not have a material adverse effect on the financial position or the results of operations of the Company.

27. ASSET RETIREMENT OBLIGATIONS

The Company records asset retirement obligations in accordance with ASC No.410 *"Asset Retirement and Environmental Obligations"* (formerly SFAS No.143 and FIN No.47).

Asset retirement obligation was related primarily to the decommissioning of nuclear power facilities. These obligations address the decommissioning, clean up and release for acceptable alternate use of such facilities.

The changes in the carrying amount of asset retirement obligations for the years ended March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Balance at beginning of year	**¥ 15,663**	¥ 17,774	**$ 168,420**
Accretion expense	**1,076**	1,176	**11,570**
Liabilities settled	**(120)**	(23)	**(1,290)**
Liabilities incurred	**5,526**	9	**59,419**
Revisions in estimated cash flows	**(498)**	(573)	**(5,355)**
Foreign currency translation adjustments	**(482)**	(2,700)	**(5,183)**
Balance at end of year	**¥ 21,165**	¥ 15,663	**$ 227,581**

28. BUSINESS COMBINATIONS

The Company adopted ASC No.805 *"Business Combinations"* (formerly SFAS No.141R) ("ASC No.805") effective April 1, 2009. ASC No.805 establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interests in the acquiree and the goodwill acquired in a business combination. ASC No.805 also requires disclosure to enable users of the financial statements to evaluate the nature and financial effects of the business combination.

Nuclear Fuel Industries, Ltd.

On May 7, 2009, the Group acquired 52% of the outstanding shares of Nuclear Fuel Industries, Ltd. ("NFI"), from Furukawa Electric Co., Ltd. and Sumitomo Electric Industries, Ltd. with the intention of expanding the Company's Nuclear Power Systems business by establishing a market presence in Japan and building a fuel production platform in Asia.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC No.805. The total purchase price for the acquisition was ¥11,526 million ($123,935 thousand) in cash. Of the total price, ¥13,680 million ($147,097 thousand) was allocated to property, plant and equipment, ¥10,070 million ($108,280 thousand) to noncontrolling interests, ¥8,054 million ($86,602 thousand) to amortizable intangible asset, ¥248 million ($2,667 thousand) to net liability assumed and ¥110 million ($1,183 thousand) to goodwill. The acquired intangible assets primarily consisted of contracted customer relationships. The Company is amortizing the intangible assets over a weighted-average estimated life of 16.5 years.

The operating results of NFI are included in the Company's consolidated financial statements from May 2009 onward.

Fujitsu's Hard Disk Drive business

On April 30, 2009, the Group and Fujitsu Limited ("Fujitsu") concluded an agreement on the transfer of Fujitsu's hard disk drive ("HDD") business to the Group for approximately ¥30.0 billion ($322,581 thousand) in total, which was subsequently adjusted to ¥25.4 billion ($273,118 thousand). To effect the transfer, Fujitsu spun off its HDD business into a newly incorporated entity called Toshiba Storage Device Corporation ("TSDC") and on October 1, 2009, the Group acquired 80.1% of the shares of TSDC in cash. The Group will acquire the remaining 19.9% of shares of TSDC from Fujitsu by the end of December 2010 and TSDC will become a wholly owned subsidiary of the Group. The Group expects to achieve great synergies from this acquisition by: (i) expanding market share in the comprehensive area of data storage by leveraging its position as a leading vendor of small form factor HDDs and integrating Fujitsu's enterprise HDD business; and (ii) fulfilling a wide range of storage device demand by adding solid state drive products to its product line, which will be newly developed by integrating the Group's flash memory technology with Fujitsu's enterprise HDD technology.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC No.805.

The following table summarizes the allocation of the purchase price and the fair values of noncontrolling interests to the identifiable assets acquired and liabilities assumed as of the acquisition date:

As of the acquisition date	Millions of yen	Thousands of U.S. dollars
Purchase price	¥ 21,206	$ 228,021
Noncontrolling interests	4,214	45,312
Total	¥ 25,420	$ 273,333
Current assets	¥ 42,340	$ 455,269
Non-current assets	13,067	140,505
Current liabilities	25,989	279,451
Non-current liabilities	4,085	43,925
Total identifiable net assets acquired	¥ 25,333	$ 272,398

The excess of the purchase price and fair value of noncontrolling interests over the fair value of the identifiable assets acquired and liabilities assumed was recorded as goodwill.

Operating results of TSDC have been included in the Company's consolidated statement of income since October 2009.

Chevalier (HK) Limited

On December 15, 2009, the Group increased its ownership in its former affiliate Chevalier (HK) Limited and its subsidiaries ("Chevalier (HK)") by acquiring an additional 2% stake in cash to 51% totaling approximately ¥8.0 billion ($86,022 thousand) and consequently acquired a controlling financial interest of Chevalier (HK). The investment is intended to further strengthen the Company's presence in lifts and escalators industries of the global market, mainly in China and Southeast Asia.

The Group allocated the purchase price to the assets acquired and liabilities assumed in accordance with ASC No.805.

The following table summarizes the allocation of the purchase price and the fair values of noncontrolling interests to the identifiable assets acquired and liabilities assumed as of the acquisition date:

As of the acquisition date	Millions of yen	Thousands of U.S. dollars
Purchase price	¥ 8,455	$ 90,914
Noncontrolling interests	7,767	83,516
Total	¥ 16,222	$ 174,430
Current assets	¥ 4,408	$ 47,398
Non-current assets	165	1,774
Intangible assets subject to amortization	11,974	128,753
Current liabilities	3,281	35,280
Non-current liabilities	1,980	21,290
Total identifiable net assets acquired	¥ 11,286	$ 121,355

Identifiable intangible assets acquired mainly consist of customer relationships based on maintenance contracts. The Group is amortizing the intangible assets over a weighted-average estimated life of 17.8 years.

The excess of the purchase price and fair value of noncontrolling interests over the fair value of the identifiable assets acquired and liabilities assumed, amounted to ¥4,936 million ($53,075 thousand), which was recorded as goodwill and allocated within Social Infrastructure. Among the factors that contributed to the recognition of goodwill was the predominance of the Chevalier Group in Chinese and Southeast Asian market based on its trustful long-term relationships with customers.

Operating results of Chevalier (HK) are included in the Company's consolidated statements of income from the acquisition date.

Pro-forma result of operation as a result of the above business combinations is immaterial for the years ended March 31, 2010 and 2009.

29. SUBSEQUENT EVENT

Disposition of Other Capital Surplus
The Company resolved, at the board meeting held on May 7, 2010, the submission of the disposition of Toshiba Corporation's other capital surplus based on Article 452 of the Corporation Law of Japan.

Therefore, the additional paid-in capital will be reduced by ¥46,772 million ($502,925 thousand), and the retained earnings of the consolidated balance sheet will be increased by the same amount.

Fujitsu Limited and Toshiba Corporation Sign MOU to Merge Mobile Phone Businesses
Fujitsu Limited ("Fujitsu") and Toshiba Corporation signed a memorandum of understanding ("MOU") to merge their mobile phone business on June 17, 2010. According to the MOU, Toshiba Corporation will transfer its mobile phone business to a new company to be established on October 1, 2010, and Fujitsu will acquire a majority of the shares in the company.

Fujitsu and Toshiba Corporation are in the process of examining the range and amount of assets and liabilities to be transferred to the company. Fujitsu and Toshiba Corporation plan to sign a final contract at the end of July 2010.

The information provided is about the status as of the submission date of the original annual securities report in June 2010 before correction for restatements in September 2015.

30. SEGMENT INFORMATION

Beginning with the fiscal year ended March 31, 2010, the Company adopted ASC No.280 *"Segment Reporting"* (formerly SFAS No.131) ("ASC No.280"). Segment information for the fiscal year ended March 31, 2009 has also been presented in accordance with ASC 280.

The segments reported below are the components of the Company for which discrete financial information is available and whose results are regularly reviewed by the management of the Company to make decisions about allocation on resources and assess performance.

The Company evaluates the performance of its business segments based on segment operating income (loss). The Company's segment operating income (loss) is derived by deducting the segment's cost of sales and selling, general and administrative expenses from net sales. Certain operating expenses such as restructuring charges and gains (losses) from the sales or disposal of fixed assets are not included in it.

The Company has 5 business segments, (1)Digital Products, (2)Electronic Devices, (3)Social Infrastructure, (4)Home Appliances and (5)Others, identified in accordance with the similarities of the nature of the products, the production processes and markets, etc.

Principal products that belong to each segment are as follows:

(1) Digital Products:	Personal computers, Visual products, Hard disk drives, Multi-function peripherals, Mobile phones, etc.
(2) Electronic Devices:	Semiconductors, Liquid crystal displays, etc.
(3) Social Infrastructure:	Energy-related equipment, Medical equipment, IT solutions, Elevators, etc.
(4) Home Appliances:	Refrigerators, Washing drying machines, Light fixtures, Air-conditioners, etc.
(5) Others:	Logistics Service, etc.

BUSINESS SEGMENTS

Financial information by segments as of and for the years ended March 31, 2010 and 2009 are as follows:

As of and for the year ended March 31, 2010 — Millions of yen

	Digital Products	Electronic Devices	Social Infrastructure	Home Appliances	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	**¥ 2,014,421**	**¥ 1,258,643**	**¥ 2,237,834**	**¥ 562,747**	**¥ 64,044**	**¥ 6,137,689**	**¥ –**	**¥ 6,137,689**
(2) Intersegment	**99,339**	**55,259**	**64,365**	**18,915**	**251,747**	**489,625**	**(489,625)**	**–**
Total	**¥ 2,113,760**	**¥ 1,313,902**	**¥ 2,302,199**	**¥ 581,662**	**¥ 315,791**	**¥ 6,627,314**	**¥ (489,625)**	**¥ 6,137,689**
Segment operating income (loss)	**¥ (24,684)**	**¥ (28,802)**	**¥ 134,477**	**¥ (5,136)**	**¥ (5,530)**	**¥ 70,325**	**¥ 1,463**	**¥ 71,788**
Identifiable assets	**¥ 1,139,518**	**¥ 1,324,917**	**¥ 2,444,982**	**¥ 361,384**	**¥ 312,711**	**¥ 5,583,512**	**¥ (119,798)**	**¥ 5,463,714**
Depreciation and amortization	**26,452**	**171,184**	**66,899**	**19,455**	**5,153**	**289,143**	**–**	**289,143**
Capital expenditures	**21,872**	**108,605**	**99,779**	**17,523**	**8,895**	**256,674**	**–**	**256,674**

As of and for the year ended March 31, 2009 — Millions of yen

	Digital Products	Electronic Devices	Social Infrastructure	Home Appliances	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	¥ 2,097,938	¥ 1,261,255	¥ 2,287,480	¥ 649,595	¥ 76,752	¥ 6,373,020	–	¥ 6,373,020
(2) Intersegment	91,440	60,239	110,613	22,834	257,546	542,672	(542,672)	–
Total	¥ 2,189,378	¥ 1,321,494	¥ 2,398,093	¥ 672,429	¥ 334,298	¥ 6,915,692	¥ (542,672)	¥ 6,373,020
Segment operating income (loss)	¥ (66,085)	¥ (324,640)	¥ 108,001	¥ (27,591)	¥ 528	¥ (309,787)	¥ 596	¥ (309,191)
Identifiable assets	¥ 928,159	¥ 1,439,873	¥ 2,424,868	¥ 384,973	¥ 321,660	¥ 5,499,533	¥ (64,251)	¥ 5,435,282
Depreciation and amortization	30,750	210,016	62,575	28,748	15,176	347,265	–	347,265
Capital expenditures	39,387	266,904	105,822	18,497	22,169	452,779	–	452,779

As of and for the year ended March 31, 2010 — Thousands of U.S. dollars

	Digital Products	Electronic Devices	Social Infrastructure	Home Appliances	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	**$ 21,660,441**	**$ 13,533,796**	**$ 24,062,731**	**$ 6,051,043**	**$ 688,645**	**$ 65,996,656**	**$ –**	**$ 65,996,656**
(2) Intersegment	**1,068,161**	**594,183**	**692,097**	**203,387**	**2,706,957**	**5,264,785**	**(5,264,785)**	**–**
Total	**$ 22,728,602**	**$ 14,127,979**	**$ 24,754,828**	**$ 6,254,430**	**$ 3,395,602**	**$ 71,261,441**	**$ (5,264,785)**	**$ 65,996,656**
Segment operating income (loss)	**$ (265,419)**	**$ (309,699)**	**$ 1,445,989**	**$ (55,226)**	**$ (59,462)**	**$ 756,183**	**$ 15,731**	**$ 771,914**
Identifiable assets	**$ 12,252,882**	**$ 14,246,419**	**$ 26,290,129**	**$ 3,885,849**	**$ 3,362,484**	**$ 60,037,763**	**$ (1,288,150)**	**$ 58,749,613**
Depreciation and amortization	**284,430**	**1,840,688**	**719,344**	**209,194**	**55,409**	**3,109,065**	**–**	**3,109,065**
Capital expenditures	**235,183**	**1,167,796**	**1,072,893**	**188,419**	**95,645**	**2,759,936**	**–**	**2,759,936**

Notes: 1) Transfers between segments are made at arm's length prices.
2) Corporate assets, included in Corporate and Eliminations of Identifiable assets, are mainly marketable securities of Toshiba Corporation.
3) Some data relating to the discontinued operation has been reclassified following corrections to the consolidated financial statements.

A reconciliation table between the total of the segment operating income (loss) and the loss from continuing operations, before income taxes and noncontrolling interests for the years ended March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
The total of the segment operating income (loss)	**¥ 70,325**	¥ (309,787)	**$ 756,183**
Corporate and Eliminations	**1,463**	596	**15,731**
Sub Total	**¥ 71,788**	¥ (309,191)	**$ 771,914**
Interest and dividends	**7,587**	18,864	**81,580**
Equity in earnings of affiliates	**22,385**	9,593	**240,699**
Other income	**62,356**	146,121	**670,495**
Interest	**(35,585)**	(33,691)	**(382,634)**
Other expense	**(142,873)**	(167,755)	**(1,536,269)**
Loss from continuing operations, before income taxes and noncontrolling interests	**¥ (14,342)**	¥ (336,059)	**$ (154,215)**

GEOGRAPHIC INFORMATION

Net Sales

Net sales by region based on the location of the customer for the year ended March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
Year ended March 31	**2010**	2009	**2010**
Japan	**¥ 2,798,682**	¥ 3,087,945	**$ 30,093,355**
Overseas	**¥ 3,339,007**	¥ 3,285,075	**$ 35,903,301**
Asia	**1,144,611**	1,038,723	**12,307,645**
North America	**1,136,064**	1,090,004	**12,215,742**
Europe	**839,523**	924,722	**9,027,129**
Others	**218,809**	231,626	**2,352,785**
Total	**¥ 6,137,689**	¥ 6,373,020	**$ 65,996,656**

Property, plant and equipment

Property, plant and equipment by region at March 31, 2010 and 2009 are as follows:

	Millions of yen		Thousands of U.S. dollars
March 31	**2010**	2009	**2010**
Japan	**¥ 746,579**	¥ 860,104	**$ 8,027,731**
Overseas	**¥ 202,993**	¥ 196,535	**$ 2,182,721**
Asia	**113,866**	119,369	**1,224,366**
North America	**59,211**	53,332	**636,678**
Europe	**24,013**	19,664	**258,204**
Others	**5,903**	4,170	**63,473**
Total	**¥ 949,572**	¥ 1,056,639	**$ 10,210,452**

Notes: 1) There are no individually material countries which should be separately disclosed.
2) There are no material sales to a single unaffiliated customer.
3) Some data relating to the discontinued operation has been reclassified following corrections to the consolidated financial statements.

The following information is based on the locaion of Toshiba Corporation and its subsidiaries. In addition to the disclosure required by ASC No.280, the Company discloses this information in accordance with the Japanese Financial Instrument and Exchange Law.

GEOGRAPHIC SEGMENTS

Geographic segments as of and for the years ended March 31, 2010 and 2009 are as follows:

As of and for the year ended March 31, 2010 — Millions of yen

	Japan	Asia	North America	Europe	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	¥ 3,192,190	¥ 883,163	¥ 1,195,646	¥ 759,354	¥ 107,336	¥ 6,137,689	–	¥ 6,137,689
(2) Intersegment	1,993,617	781,747	23,285	13,059	20,330	2,832,038	(2,832,038)	–
Total	¥ 5,185,807	¥ 1,664,910	¥ 1,218,931	¥ 772,413	¥ 127,666	¥ 8,969,727	¥(2,832,038)	¥ 6,137,689
Segment operating income (loss)	¥ (19,702)	¥ 44,362	¥ 19,823	¥ 16,104	¥ 5,881	¥ 66,468	¥ 5,320	¥ 71,788
Identifiable assets	¥ 3,875,038	¥ 1,019,275	¥ 711,249	¥ 467,804	¥ 67,561	¥ 6,140,927	¥ (677,213)	¥ 5,463,714

As of and for the year ended March 31, 2009 — Millions of yen

	Japan	Asia	North America	Europe	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	¥ 3,437,256	¥ 857,527	¥ 1,096,284	¥ 883,089	¥ 98,864	¥ 6,373,020	–	¥ 6,373,020
(2) Intersegment	1,760,786	577,000	23,534	14,595	16,637	2,392,552	(2,392,552)	–
Total	¥ 5,198,042	¥ 1,434,527	¥ 1,119,818	¥ 897,684	¥ 115,501	¥ 8,765,572	¥(2,392,552)	¥ 6,373,020
Segment operating income (loss)	¥ (345,653)	¥ 9,877	¥ 8,718	¥ (1,484)	¥ 3,751	¥ (324,791)	¥ 15,600	¥ (309,191)
Identifiable assets	¥ 3,883,459	¥ 693,052	¥ 697,973	¥ 473,469	¥ 49,153	¥ 5,797,106	¥ (361,824)	¥ 5,435,282

As of and for the year ended March 31, 2010 — Thousands of U.S. dollars

	Japan	Asia	North America	Europe	Others	Total	Corporate and Eliminations	Consolidated
Net sales								
(1) Unaffiliated customers	$ 34,324,624	$ 9,496,376	$ 12,856,409	$ 8,165,096	$ 1,154,151	$ 65,996,656	–	$ 65,996,656
(2) Intersegment	21,436,742	8,405,882	250,376	140,420	218,602	30,452,022	(30,452,022)	–
Total	$ 55,761,366	$ 17,902,258	$ 13,106,785	$ 8,305,516	$ 1,372,753	$ 96,448,678	$(30,452,022)	$ 65,996,656
Segment operating income (loss)	$ (211,849)	$ 477,011	$ 213,151	$ 173,161	$ 63,236	$ 714,710	$ 57,204	$ 771,914
Identifiable assets	$ 41,667,075	$ 10,959,946	$ 7,647,839	$ 5,030,151	$ 726,462	$ 66,031,473	$ (7,281,860)	$ 58,749,613

Notes: 1) Segmentation of countries or regions is based on geographical proximity.
2) Principal countries and regions that belong to segments other than Japan are as follows:
(1) Asia: China, South Korea
(2) North America: United States, Canada
(3) Europe: Germany, England
(4) Others: Australia
3) Corporate assets, included in Corporate and Eliminations of Identifiable assets, for the years ended March 31 2010 and 2009 were ¥86,692 million ($932,172 thousand) and ¥96,860 million, respectively, and are mainly marketable securities of Toshiba Corporation.
4) Some data relating to the discontinued operation has been reclassified following corrections to the consolidated financial statements.

Building a better working world

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Independent Auditor's Report

The Board of Directors of
Toshiba Corporation

We have audited the accompanying consolidated balance sheet of Toshiba Corporation (the "Company") and its consolidated subsidiaries as of March 31, 2010 and the related consolidated statements of income, comprehensive income, equity, and cash flows for the year then ended and the related notes to the consolidated financial statements, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Toshiba Corporation and subsidiaries at March 31, 2010, and the consolidated results of their operations and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

We also have reviewed the translation of the consolidated financial statements mentioned above into United States dollars on the basis described in Note 3. In our opinion, such statements have been translated on such basis.

Supplemental Information

As discussed in "Restatement of previously issued consolidated financial statements" in the consolidated financial statements, the Company has amended the consolidated financial statements. We have audited the restated consolidated financial statements.

As discussed in Note 2 "Summary of Significant Accounting Policies" to the consolidated financial statements, the Company adopted ASC No. 810 "Consolidation" (formerly SFAS No. 160) effective April 1, 2009.

As discussed in Note 29 "Subsequent event" to the consolidated financial statements, the Company resolved, at the board meeting held on May 7, 2010, the submission of the disposition of the Company's other capital surplus.

September 7, 2015

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The production and printing of this report reflect the following considerations:

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Use of FSC-certified Paper
Paper certified by Forest Stewardship Council (FSC) is used, which is made from wood from FSC-certified forests.

Use of Forest Thinning Support Paper
Toshiba Group supports forest thinning project in Misawa City, Aomori prefecture, aiming to preserve the nature for the next generation.

Tree use cycle mark
We believe that it is important to make proactive use of domestic wood products and to grow forests, and we support the Forestry Agency's efforts to promote "tree trainer activities". Domestic timber provided the raw material for the paper on which this report is printed, and its use contributed to increased absorption of CO_2 by native forests.

Printing

Waterless Printing
Waterless printing, a printing process that eliminates the use of water, is adopted, taking advantage of the characteristics of printing plates made of ink-shedding material.

Non-VOC Ink
100% vegetable ink containing no volatile organic compounds (VOCs) is used.