

TOSHIBA
Leading Innovation >>>

ANNUAL REPORT 2013

For the Year Ended March 31, 2013



TOSHIBA TEC CORPORATION

Financial Highlights

Years ended March 31

Consolidated	Millions of yen					Thousands of U.S.dollars
	2009	2010	2011	2012	2013	2013
Net sales	¥422,601	¥364,578	¥362,302	¥350,604	¥403,694	\$4,292,334
Operating income	10,123	9,725	13,997	10,830	15,886	168,910
Net income	2,634	4,144	6,510	2,566	6,212	66,050
Total assets	281,732	289,518	288,592	276,436	388,513	4,130,920
Net assets	142,034	142,692	140,519	139,732	176,558	1,877,278
	Yen					U.S.dollars
Per share data:						
Net income -						
Basic	¥9.53	¥15.06	¥23.71	¥9.35	¥22.64	\$0.241
Total shareholders' equity	465.63	474.85	473.44	472.36	549.42	5.842
	Millions of yen					Thousands of U.S.dollars
Non-Consolidated	2009	2010	2011	2012	2013	2013
Net sales	¥237,364	¥211,345	¥221,674	¥224,933	¥233,686	\$2,484,700
Operating income	(1,477)	2,544	2,906	3,226	2,557	27,188
Net income	4,722	5,476	4,476	2,421	3,901	41,478
Common stock	39,971	39,971	39,971	39,971	39,971	424,997
Total assets	200,658	210,729	221,925	226,188	244,368	2,598,278
Net assets	116,766	122,704	124,888	125,273	127,428	1,354,896
	Yen					U.S.dollars
Per share data:						
Net income -						
Basic	¥17.09	¥19.89	¥16.30	¥8.82	¥14.22	\$0.151
Cash dividends	5.00	5.00	7.00	7.00	8.00	0.085
Total shareholders' equity	424.09	445.75	455.03	456.27	463.99	4.933

The dollar amounts in this report represent translations of yen, for convenience only, at the rate of ¥94.05=US\$1.00, the exchange rate prevailing on March 31, 2013.

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Business Overview in the Consolidated Fiscal Year 2012

As for the global economy in the consolidated fiscal year 2012, Europe experienced economic downturn, a full-scale economic recovery continued to elude the US, and overall economic expansion in Asia slowed down due to Europe's protracted debt problems. Although there were signs of some improvements with support from reconstruction demand and the yen depreciation since the end of 2012, the Japanese economy continued to face a severe situation due to weak exports and consumer spending along with the slowdown in the global economy.

Under such circumstances, the Toshiba TEC Group was committed to expanding its business scale and further increasing earning power by streamlining resources and assets together in and outside Japan, with the aim of achieving growth through solutions services.

In addition, with the aim of becoming a leading company in retail POS systems, which develops advanced products and solutions in the retail solutions market on a global basis, Toshiba TEC Corporation acquired retail store solution (RSS) business from International Business Machines Corporation (IBM) as of August 1, 2012.

As for the consolidated business operations, sales of system solutions business maintained a healthy performance and acquisition of RSS business from IBM was completed. As a result, net sales amounted to 403,694 millions of yen, a 15% increase, operating income amounted to 15,886 millions of yen, a 47% increase, ordinary income amounted to 14,868 millions of yen, a 66% increase, and net income amounted to 6,212 millions of yen, a 142% increase from the previous consolidated fiscal year respectively.

Non-consolidated operating results are described next, as a result of strong sales of system solutions business. Net sales amounted to 233,686 millions of yen, a 4% increase, operating income amounted 2,557 millions of yen, a 21% decrease, ordinary income amounted to 5,303 millions of yen, a 34% increase, and net income amounted to 3,901 millions of yen, a 61% increase from the previous year respectively.

Business Highlights for each Report Segment

The business highlights for each report segment in the consolidated fiscal year 2012 are described below.

System Solutions Business

The system solutions business that deals with POS systems for the Japanese market, MFPs, Automatic Identification systems and related products, was committed to developing new products appropriate to market needs, expanding sales of core products, and promoting area marketing, along with reinforcing cost competitiveness to improve profit structure, in a severe business environment where the overall retail industry as a major market remained restrained and intense competition with rivals still continued.

With growing sales of POS systems for convenience stores, specialty stores and restaurants, along with steady sales of Automatic Identification systems, the retail solutions business that developed business for the store automation and factory automation markets gained sales.

With an increase in the sales volume of color MFPs and sales expansion to the retail market despite continued intense competition, the office solutions business that developed business for the office automation market gained sales.

As a result, net sales of the system solutions business increased 7% over the previous consolidated fiscal year to 180,777 millions of yen, and operating income increased 48% over the previous consolidated fiscal year to 8,708 millions of yen.

Global Solutions Business

The global solutions business that deals with MFPs, POS systems, Automatic Identification systems, printers and related products and inkjet heads for markets outside Japan, focused efforts on releasing and expanding sales of strategic products, while expanding sales by pioneering new business fields, new sales channels and new customers and promoting an alliance strategy, in a severe business environment where intense competition with rivals still continued, in response to deteriorating market conditions due to the slumping global economy and other factors.

With growing sales of MFPs and Automatic Identification systems in the U.S. as a major market, and through acquisition of RSS business from IBM, sales in the American market increased.

Despite a decline in total sales of existing business due to decreased demand caused by deteriorating market conditions, sales in the European market increased through acquisition of RSS business from IBM.

Despite a decline in total sales of existing business due to deteriorating market conditions in China and other factors, sales in Asia and other markets remained the same as the previous consolidated fiscal year, through acquisition of RSS business from IBM.

Sales of the ODM business grew along with an increase in sales of payment terminals for new customers.

Despite a decline in sales to customers in Japan, sales of the inkjet head business remained the same as the previous consolidated fiscal year, with an increase in sales to customers outside Japan.

As a result, net sales of the global solutions business increased 22% over the previous consolidated fiscal year to 235,442 millions of yen, and operating income increased 45% over the previous consolidated fiscal year to 7,178 millions of yen.

- Notes: (1) Automatic Identification (AI) Systems refer to systems, which contain hardware and software to automatically retrieve, identify and manage data, from barcodes and IC tags.
- (2) ODM refers to designing and manufacturing products with customer brand.

Key Achievements for 2012

■ Accelerated globalization

Established Toshiba Global Commerce Solutions (TGCS).

(1) Completed business transfer in all bases, can support customers in more than 120 countries and regions

(2) Showed Toshiba presence in US and Europe largest exhibitions

⇒ POS terminal sales global No.1 (Japan No.1 in 11 consecutive years)

■ Expand solutions & services

Launch products adapted to solutions

(1) Release omni-channel platform "TCxGravity"

(2) Launch cloud computing products in Japan

- Net supermarket system "@Nexmart"
- Total system for restaurants "FoodCaster"
- Total system for specialized stores "ShopDirector"

(3) Products adapted to eco-solutions

Release MFP "Loops" using erasable toners



Forecast for Fiscal Year 2013

As for the future global economy, the European economy is expected to slump due to budget austerity, and the US economy is expected to continue a gradual recovery. The Asian and other economies are expected to remain firm. With an increase in public investments and the recovery in exports related to the economic policy, the Japanese economy is expected to recover moderately.

Under such circumstances, the Toshiba TEC Group is committed to accelerating globalization, expanding solutions services and reforming a high-profit corporate structure, with the aim of becoming a global one-stop solutions company.

Main measures on a segment basis for fiscal year 2013 ending March are as follows:

System Solutions Business

The system solutions business strives to promote area marketing, develop new products appropriate to market needs, and enhance service and supply business, toward expanding sales of POS systems, MFPs, Automatic Identification systems and related products into the Japanese market as well as providing total solutions. The system solutions business is also committed to further streamlining sales and service systems at home to improve profit structure.

Global Solutions Business

The global solutions business strives to develop and release strategic new products, as well as expand sales and marketing in response to the region, optimize sales and service channels, toward expanding sales of MFPs, POS systems, Automatic Identification systems, related products and inkjet heads into markets outside Japan as well as providing total solutions, which capitalize on a wide range of products and markets. The global solutions business is also committed to expanding business by enhancing operations in emerging countries and areas.

The consolidated forecasts for fiscal year 2013 are expected as follows based on the aforementioned measures:

Forecasts for fiscal year 2013

Net sales	470,000 millions of yen
Operating income	21,000 millions of yen
Ordinary income	19,000 millions of yen
Net income	6,500 millions of yen

Expected situation per report segment for fiscal year 2013

Parenthesis: Relative to fiscal 2012 ended March

	Net sales	Operating income
System Solutions Business	184,000 millions of yen (102%)	9,500 millions of yen (109%)
Global Solutions Business	300,000 millions of yen (127%)	11,500 millions of yen (160%)
Eliminations	(14,000) millions of yen	-
Total	470,000 millions of yen (116%)	21,000 millions of yen (132%)

For the above-mentioned forecasts, the exchange rates for fiscal 2013 are 93 yen per dollar and 120 yen per euro.

Notes: Forecasts are based on the Toshiba TEC Group's currently available data and certain assumptions considered rational, and are not intended to encourage the realization. Actual results are subject to change due to various factors.

Mid-term Business Plan

Basic Strategy

(1) Structural Transformation

i) Expansion of retail store solutions

⇒ Expand solution business utilizing global top customer bases

ii) Differentiation of printing solutions

⇒ Expand into retail market and differentiate with eco-solution

iii) Deployment of new business

(2) Restructuring

i) Streamlining of operations

⇒ Maximize synergy / Promote global shared service

ii) Optimization of human resources

⇒ Optimally positioned human resources

Achievement of Goals

(100 millions of yen)

	FY2012 (Result)	FY2013 (Target)	FY2015 (Target)
Net Sales	4,037	4,700	5,500
Operating income	159	210	340
ROS	3.9%	4.5%	6.2%

Consolidated Balance Sheet

March 31, 2013

ASSETS	Millions of yen		Thousands of U.S.dollars (Note 1)
	2013	2012	2013
Current assets			
Cash and cash equivalents	¥72,032	¥85,959	\$765,890
Trade notes and accounts receivable	83,882	56,817	891,887
Inventories	37,720	31,758	401,063
Deferred tax assets (Note 9)	6,222	6,311	66,156
Prepaid expenses and other current assets	31,568	12,760	335,653
Allowance for doubtful accounts	(1,252)	(1,253)	(13,312)
Total current assets	230,172	192,352	2,447,337
Fixed assets			
Property, plant and equipment:			
Buildings and structures	28,999	28,624	308,336
Machinery and equipment	38,722	33,985	411,717
Tools, furniture and fixtures	49,538	50,466	526,720
Land	2,546	2,568	27,071
Lease assets	9,138	7,946	97,161
Less accumulated depreciation	(99,123)	(94,421)	(1,053,939)
Construction in progress	2,026	1,360	21,541
	31,846	30,528	338,607
Intangible assets:			
Goodwill	75,223	16,853	799,819
Other intangible assets	19,312	5,745	205,338
	94,535	22,598	1,005,157
Investments and other assets:			
Investment securities: (Note 13)			
Unconsolidated subsidiaries and affiliates	43	39	457
Other	4,074	3,420	43,317
Deferred tax assets (Note 9)	19,672	19,509	209,165
Other investments and other assets	8,291	8,233	88,156
Allowance for doubtful accounts	(312)	(243)	(3,317)
	31,768	30,958	337,778
Total fixed assets	158,149	84,084	1,681,542
Deferred assets	192	-	2,041
Total assets	¥388,513	¥276,436	\$4,130,920

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S.dollars (Note 1)
	2013	2012	2013
Current liabilities			
Trade notes and accounts payable	¥71,764	¥46,995	\$763,041
Short-term loans (Note 3)	3,093	1,929	32,887
Current portion of long-term debt (Note 3)	-	1	-
Accounts payable-other	38,058	11,647	404,657
Lease liabilities (Note 3)	2,602	2,752	27,666
Accrued income and other taxes	3,417	1,635	36,332
Accrued bonuses to directors and corporate auditors	59	48	627
Other current liabilities	43,561	32,167	463,169
Total current liabilities	162,554	97,174	1,728,379
Long-term liabilities			
Long-term debt (Note 3)	-	1	-
Lease liabilities (Note 3)	2,922	2,106	31,069
Accrued retirement benefits (Note 4)	39,683	36,405	421,935
Allowance for retirement benefits for directors and corporate auditors	143	137	1,520
Other long-term liabilities	6,653	881	70,739
Total long-term liabilities	49,401	39,530	525,263
Total liabilities	211,955	136,704	2,253,642
Contingent liabilities (Note 5)			
Shareholders' equity			
Common stock			
Authorized-1,000,000 thousand shares			
Issued- 288,146 thousand shares	39,971	39,971	424,997
Capital surplus	52,984	52,986	563,360
Retained earnings	60,484	56,466	643,105
Less treasury stock, at cost:			
13,827 thousand shares in 2013	(5,624)	-	(59,798)
13,839 thousand shares in 2012	-	(5,629)	-
Total shareholders' equity	147,815	143,794	1,571,664
Accumulated other comprehensive income			
Unrealized holding gain (loss) on securities	764	341	8,123
Foreign currency translation adjustments	2,213	(14,499)	23,530
Minimum pension liability adjustment	(74)	(63)	(786)
Total accumulated other comprehensive income	2,903	(14,221)	30,867
Share subscription rights	145	113	1,542
Minority interests	25,695	10,046	273,205
Net assets	176,558	139,732	1,877,278
Total liabilities and net assets	¥388,513	¥276,436	\$4,130,920

Consolidated Statement of Comprehensive Income

Year ended March 31, 2013

	Millions of yen		Thousands of U.S.dollars (Note 1)
	2013	2012	2013
Income before minority interests	¥6,252	¥2,192	\$66,475
Other comprehensive income			
Unrealized holding gain (loss) on securities	423	118	4,498
Deferred gain (loss) on hedges	-	12	-
Foreign currency translation adjustments	20,350	(968)	216,374
Minimum pension liability adjustment	(22)	36	(234)
Total other comprehensive income (Note 7)	20,751	(802)	220,638
Comprehensive income	¥27,003	¥1,390	\$287,113
(breakdown)			
Comprehensive income attributable to owners of the parent	23,336	1,909	248,123
Comprehensive income attributable to minority interests	3,667	(519)	38,990

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2013

	Shareholder's equity				Total shareholder's equity
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	
Balance at April 1, 2012	¥39,971	¥52,986	¥56,466	¥(5,629)	¥143,794
Cash dividends (Note 20)	-	-	(2,194)	-	(2,194)
Net income for the year	-	-	6,212	-	6,212
Purchases of treasury stock	-	-	-	(10)	(10)
Retirement of treasury stock	-	(2)	-	15	13
Other, net	-	-	-	-	-
Balance at March 31, 2013	¥39,971	¥52,984	¥60,484	¥(5,624)	¥147,815

	Accumulated other comprehensive income				Share subscription rights	Minority interests	Net assets
	Unrealized holding gain (loss) on securities	Foreign currency translation adjustments	Minimum pension liability adjustment	Total accumulated other comprehensive income			
Balance at April 1, 2012	¥341	¥(14,499)	¥(63)	¥(14,221)	¥113	¥10,046	¥139,732
Cash dividends (Note 20)	-	-	-	-	-	-	(2,194)
Net income for the year	-	-	-	-	-	-	6,212
Purchases of treasury stock	-	-	-	-	-	-	(10)
Retirement of treasury stock	-	-	-	-	-	-	13
Other, net	423	16,712	(11)	17,124	32	15,649	32,805
Balance at March 31, 2013	¥764	¥2,213	¥(74)	¥2,903	¥145	¥25,695	¥176,558

	Shareholder's equity				Total shareholder's equity
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	
Balance at April 1, 2012	\$424,997	\$563,381	\$600,383	\$(59,851)	\$1,528,910
Cash dividends (Note 20)	-	-	(23,328)	-	(23,328)
Net income for the year	-	-	66,050	-	66,050
Purchases of treasury stock	-	-	-	(106)	(106)
Retirement of treasury stock	-	(21)	-	159	138
Other, net	-	-	-	-	-
Balance at March 31, 2013	\$424,997	\$563,360	\$643,105	\$(59,798)	\$1,571,664

	Accumulated other comprehensive income				Share subscription rights	Minority interests	Net assets
	Unrealized holding gain (loss) on securities	Foreign currency translation adjustments	Minimum pension liability adjustment	Total accumulated other comprehensive income			
Balance at April 1, 2012	\$3,626	\$(154,163)	\$(670)	\$(151,207)	\$1,201	\$106,816	\$1,485,720
Cash dividends (Note 20)	-	-	-	-	-	-	(23,328)
Net income for the year	-	-	-	-	-	-	66,050
Purchases of treasury stock	-	-	-	-	-	-	(106)
Retirement of treasury stock	-	-	-	-	-	-	138
Other, net	4,497	177,693	(116)	182,074	341	166,389	348,804
Balance at March 31, 2013	\$8,123	\$23,530	\$(786)	\$30,867	\$1,542	\$273,205	\$1,877,278

	Shareholder's equity				Total shareholder's equity
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	
Balance at April 1, 2011	¥39,971	¥52,988	¥56,012	¥(5,691)	¥143,280
Cash dividends (Note 20)	-	-	(2,193)	-	(2,193)
Net income for the year	-	-	2,566	-	2,566
Reclassification to minimum pension liability adjustment	-	-	81	-	81
Purchases of treasury stock	-	-	-	(3)	(3)
Retirement of treasury stock	-	(2)	-	65	63
Other, net	-	-	-	-	-
Balance at March 31, 2012	¥39,971	¥52,986	¥56,466	¥(5,629)	¥143,794

	Accumulated other comprehensive income				Share subscription rights	Minority interests	Net assets
	Unrealized holding gain (loss) on securities	Deferred gain or loss on hedges	Foreign currency translation adjustments	Minimum pension liability adjustment			
Balance at April 1, 2011	¥224	¥(11)	¥(13,694)	-	¥(13,481)	¥135	¥10,585
Cash dividends (Note 20)	-	-	-	-	-	-	(2,193)
Net income for the year	-	-	-	-	-	-	2,566
Reclassification to minimum pension liability adjustment	-	-	-	(81)	(81)	-	-
Purchases of treasury stock	-	-	-	-	-	-	(3)
Retirement of treasury stock	-	-	-	-	-	-	63
Other, net	117	11	(805)	18	(659)	(22)	(539)
Balance at March 31, 2012	¥341	-	¥(14,499)	¥(63)	¥(14,221)	¥113	¥10,046

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Numbers of shares in issue: 288,146 thousand shares in fiscal year 2012

Consolidated Statement of Cash Flows

Year ended March 31, 2013

	Millions of yen		Thousands of U.S.dollars (Note 1)
	2013	2012	2013
Cash flows from operating activities			
Income before income taxes and minority interest	¥12,880	¥7,912	\$136,948
Adjustment to reconcile income before income taxes and minority interest to net cash provided by operating activities:			
Depreciation and amortization	16,856	13,571	179,224
Allowance for doubtful accounts	(65)	158	(691)
Accrual for retirement benefits, less payments	3,015	2,124	32,057
Interest and dividend income	(382)	(419)	(4,062)
Interest expense	526	614	5,593
(Gain) loss on sales or disposal of fixed assets	110	(132)	1,170
Gain on sales of investment securities	(32)	(10)	(340)
Write down of investment securities	8	74	85
Retirement benefit expenses	-	308	-
Reversal of the cost related to employee transfer	-	(588)	-
Compensation	-	(100)	-
Loss on withdrawal from pension fund	-	575	-
Restructuring cost	1,987	824	21,127
Changes in assets and liabilities:			
Notes and accounts receivable	(17,486)	(3,724)	(185,922)
Inventories	(1,835)	1,849	(19,511)
Notes and accounts payable	16,435	5,084	174,747
Other	(718)	(6,646)	(7,634)
Sub Total	31,299	21,474	332,791
Interest and dividend income received	390	411	4,147
Interest paid	(504)	(624)	(5,359)
Payments of extra pension for early retirement	-	(26)	-
Income taxes paid	(4,674)	(5,068)	(49,697)
Net cash provided by operating activities	26,511	16,167	281,882
Cash flows from investing activities			
Acquisitions of property, plant and equipment	(8,298)	(7,230)	(88,230)
Proceeds from sales of property, plant and equipment	971	750	10,324
Acquisitions of intangible assets	(2,013)	(2,281)	(21,404)
Acquisitions of investment securities	(114)	(59)	(1,212)
Proceeds from sales of investment securities	60	43	638
Payments of loans receivable	(12)	(18)	(128)
Proceeds from loans receivable	19	18	202
Payment for business acquisition	(33,510)	(524)	(356,300)
Other	(865)	(208)	(9,196)
Net cash used in investing activities	(43,762)	(9,509)	(465,306)
Cash flows from financing activities			
Repayments of short-term loans, net	701	(8,791)	7,453
Repayments of long-term debt	(2)	(6)	(21)
Repayments of Finance-Lease liabilities	(2,404)	(2,454)	(25,561)
Purchases of treasury stock	(135)	(5)	(1,435)
Payments of dividends	(2,191)	(2,193)	(23,296)
Payments of dividends to minority shareholders of subsidiaries	(96)	(15)	(1,021)
Other	13	65	138
Net cash used in financing activities	(4,114)	(13,399)	(43,743)
Effect of exchange rate changes on cash and cash equivalents	7,438	(228)	79,086
Net decrease in cash and cash equivalents	(13,927)	(6,969)	(148,081)
Cash and cash equivalents at beginning of year	85,959	92,928	913,971
Cash and cash equivalents at end of year	¥72,032	¥85,959	\$765,890

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Notes to Consolidated Financial Statements

1. Basis of Presenting Consolidated Financial Statements

The consolidated financial statements of Toshiba TEC Corporation (the "Company") have been prepared in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan.

Certain reclassifications have been made to present the consolidated financial statements in a format which is more familiar to the readers outside Japan.

Solely for the convenience of the readers, the consolidated financial statements have been presented in U.S. dollars by translating Japanese yen amounts at the exchange rate of ¥94.05 = US\$1.00 prevailing as of March 31, 2013. The translation should not be construed as a representation that the Japanese yen could be converted into U.S. dollar at the above or any other rate of exchange.

2. Summary of Significant Accounting Policies

(A) Basis of Consolidation and Accounting of Investments in Affiliated Companies

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries (together the "Companies"). For the years ended March 31, 2013 and 2012, the accounts of 88 and 53 subsidiaries are consolidated, respectively. All significant inter-company transactions and accounts are eliminated in consolidation.

All assets and liabilities of the consolidated subsidiaries are revaluated on acquisitions, if applicable. The difference between the cost of investments in subsidiaries and the equity in their assets and liabilities at the dates of acquisition is recognized as goodwill in the consolidated balance sheet and principally amortized by the straight-line method over 5 to 17 years.

The Company has no unconsolidated subsidiary for which the equity method of accounting has been applied for the years ended March 31, 2013 and 2012.

From the perspective of immateriality, the investments in the remaining unconsolidated subsidiaries and affiliated companies are stated at cost.

Certain subsidiaries have year end which differs from that of the Company. As a result, adjustments have been made for any significant transactions as needed in consolidation that took place during the period between the year end of the subsidiaries and the year end of the Company.

(B) Foreign Currency Translation

Revenue and expense accounts of foreign consolidated subsidiaries are translated into yen using the annual average rate during the year. The balance sheet accounts, except for the components of net assets, are translated at the rate in effect at the balance sheet date. The components of net assets are translated at their historical rates. Translation adjustments are presented as a component of "Accumulated other comprehensive income" under Net Assets in the consolidated balance sheet.

Foreign currency transactions are measured at the applicable rates of exchange prevailing at the transaction dates, unless

hedged by foreign exchange contracts. Assets and liabilities denominated in foreign currencies at the balance sheet date are re-measured at the applicable rates of exchange prevailing at that date, unless hedged by foreign exchange contracts. Exchange differences are charged or credited to income.

(C) Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments, generally with original maturates of three months or less.

(D) Investment Securities

Marketable securities classified as "Other securities" are reported at fair value with unrealized holding gains or losses, net of taxes, presented as a component of "Accumulated other comprehensive income" under Net Assets in the consolidated balance sheet. Cost of securities sold is determined by the moving average method.

Non-marketable securities classified as "Other securities" are carried at cost, which is determined by the moving average method.

(E) Inventories

Finished goods, merchandises and semi-finished components are principally stated at the lower of cost, determined by the first-in, first-out method, or net realizable value. Work-in-process and raw materials are principally stated at the lower of cost, determined by the moving average method, or net realizable value. Supplies are principally stated at the latest purchase cost method.

(F) Property, Plant and Equipment and Depreciation

Property, plant and equipment are carried at cost. Material improvements are capitalized, but repair and maintenance including minor improvements are charged to income.

Depreciation of property, plant and equipment is generally computed by the declining-balance method for the Company and its domestic subsidiaries, except for buildings (except for building accessories) and leasehold improvements acquired subsequent to April 1, 1998 for which the straight-line method is applied, and by the straight-line method for the overseas subsidiaries, at the rates based on the estimated useful lives of the respective assets.

The useful lives of principal property, plant and equipment are summarized as follows:

Buildings and structures	15 to 38 years
Machinery and equipment	5 to 13 years
Tools, furniture and fixtures	2 to 6 years

(G) Intangible Assets and Amortization

Intangible assets are amortized by the straight-line method over their estimated useful lives.

(H) Leases

The Companies lease certain equipment under non-cancelable lease agreements referred to as finance leases. Prior to April 1, 2008, finance leases other than those which transferred the ownership of the leased property to the Companies had been primarily accounted for as operating leases. Depreciation at lease assets is calculated by the straight-line method over the lease period with no residual value.

(I) Allowance for Doubtful Accounts

Allowance for doubtful accounts is provided in the amount sufficient to cover probable losses on collection. It consists of individually estimated uncollectible amounts and an amount calculated using the rate of actual losses on collection in the past.

(J) Retirement Benefits

Upon retirement or termination of employment, employees of the Company and its domestic subsidiaries are generally entitled to lump-sum payments determined by reference to their current basic rate of pay, length of service and conditions under which the termination occurs.

The Company and its domestic subsidiaries provide allowance for the retirement benefits and make contributions to a non-contributory tax-qualified pension plans (the "Funded Plan") for employees' severance indemnities payable, as part of the existing retirement plan.

Allowance for the employees' retirement benefits is determined mainly by the amount based on the retirement benefit obligation and the fair value of the pension plan assets, as adjusted for amortization of unrecognized actuarial gain or loss and past service costs.

(K) Accrued Retirement benefits to Directors and Corporate Auditors

The retirement benefits to directors and corporate auditors are determined based on the internal rule and accounted for as an expense of the accounting period in which such retirement benefits were accrued.

(L) Accrued Bonuses to Directors and Corporate Auditors

The bonuses to directors and corporate auditors are determined based on the internal rule and accounted for as an expense of the accounting period in which such bonuses were accrued.

(M) Income Taxes, Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities, and are measured using the enacted tax rates and laws which will be in effect when the temporary differences are expected to reverse.

The Company and its wholly owned domestic subsidiaries file their consolidated tax return in Japan for the Corporation Tax purpose.

(N) Consumption taxes

Consumption taxes withheld from sales and paid upon purchasing goods and services by the Companies are not included in revenues and expenses.

(O) Derivative Financial Instruments

The Company and certain subsidiaries have entered into forward exchange contracts to hedge the risk of fluctuation in exchange rate in the foreign currency transactions related to accounts receivable and payable denominated in foreign currency.

Derivative financial instruments are reported at fair value with unrealized gain or loss, charged or credited to income, except for those which meet the criteria for the deferral hedge accounting under which unrealized gains or losses is deferred as assets or

liabilities. Receivables and payables hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates.

(P) Research and Development Expenses

Research and development costs are charged to income as incurred.

(Q) Impairment of Fixed Assets

According to the accounting standard, fixed assets are reviewed for impairment at least once a year and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

(R) Standards Issued but Not Yet Effective

Accounting Standards for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement, No.26 of May 17, 2012)

Guidance on Accounting standard for Retirement Benefits (ASBJ Guidance No.25 of May 17, 2012)

1.Outline

These accounting standard are revised from the point of improving financial reporting and international trend focusing on the accounting and disclosures for unrecognized actuarial gain or loss, unrecognized past service cost, retirement benefit obligation and service cost.

2.Scheduled date of adoption

These accounting standards will be adopted from the end of the fiscal year ending March 31, 2014.

However, to in terms of the calculation method of the retirement benefit obligation and the service cost, it will be adopted from the beginning of the fiscal year ending March 31, 2015.

3.Impact of adoption of these accounting standards

The impact on the consolidated financial statements as a result of the adoption of these accounting standards is currently being evaluated.

(S) Change in Presentation (Consolidated Balance Sheet)

Effective for the year ended March 31,2013, the amount of the accounts payable-other, included and presented in "the other" on current liabilities for the year ended March 31,2012,exceeded the total liabilities and net assets by 5%, it is presented as "accounts payable-other". To reflect this change in presentation, Consolidated Balance Sheet of the previous year is reclassified. For Consolidated Balance Sheet of previous year, the accounts payable presented in "the other" on current liabilities, ¥11,647 millions is reclassified as "accounts payable-other", which results in ¥32,167 millions for "the other" and ¥43,814 millions in total.

(T) Additional Information

Not applicable

3. Short-Term Loans and Long-Term Debt

The average interest rate for short-term loans outstanding at March 31, 2013 and 2012 is 0.43 % and 0.62 %, respectively.

The long-term debt (including lease liabilities) at March 31, 2013 and 2012, consists of the following :

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Long-term debt:			
Due serially through 2014	-	¥2	-
Less current portion	-	1	-
	-	¥1	-
Lease liabilities	¥5,524	¥4,858	\$58,735
Less current portion	2,602	2,752	27,666
	¥2,922	¥2,106	\$31,069

The aggregate annual maturities of lease liabilities (excluding the current portion) outstanding at March 31, 2013 are as follows:

	Year ending March 31	Millions of yen	Thousands of U.S.dollars
	2015	733	7,794
	2016	730	7,762
2017 and thereafter		1,459	15,513
		¥2,922	\$31,069

4. Retirement Benefits

The Company and its domestic subsidiaries have defined benefit plans, i.e., the Funded Plans and the lump-sum payment plans.

The following table sets forth the funded status of the plans and the amounts recognized as of March 31, 2013 and 2012 in the consolidated balance sheet for the Company's and the consolidated subsidiaries' defined benefit plans.

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Retirement benefit obligation	¥(92,667)	¥(89,025)	\$(985,295)
Plan assets	44,123	36,890	469,144
Unfunded retirement benefit obligation	(48,544)	(52,135)	(516,151)
Unrecognized actuarial gain or loss	5,791	11,630	61,574
Unrecognized past service cost	3,070	4,100	32,642
Net amount recognized in the consolidated balance sheet	(39,683)	(36,405)	(421,935)
Accrued retirement benefit obligation	¥(39,683)	¥(36,405)	\$(421,935)

1) Certain subsidiaries adopted a simplified method in the calculation of their retirement benefit obligation.

The components of retirement benefit expenses for the years ended March 31, 2013 and 2012 are as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Service cost	¥3,475	¥3,475	\$36,948
Interest cost	1,110	1,441	11,802
Expected return on plan assets	(835)	(785)	(8,878)
Amortization of actuarial gain or loss	1,605	1,539	17,066
Amortization of past service cost	1,018	1,078	10,824
Total	¥6,373	¥6,748	\$67,762

1) Apart from the retirement benefit expenses above, additional retirement benefit payments are included in Non-operating expenses.

The additional retirement benefit payments for the years ended March 31, 2013 and 2012 were ¥62 millions (\$659 thousands) and ¥70 millions respectively.

2) Retirement benefit expenses of subsidiaries which adopt simplified method are recorded as "Service cost".

The assumption used in accounting for the above plans for the years ended March 31, 2013 and 2012 are as follows:

	2013	2012
Discount rates	Mainly 1.2%	Mainly 1.2%
Expected return on assets	Mainly 2.5%	Mainly 2.5%
Amortization period of past service cost	10 years Straight-line method	10 years Straight-line method
Amortization period of actuarial gain or loss	10 years Straight-line method	10 years Straight-line method

5. Contingent liabilities

Contingent liabilities at March 31, 2013 and 2012 are as follows :

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Trade notes receivable discounted or endorsed	¥250	¥412	\$2,658
Guarantees on employees' bank loans	360	448	3,828

6. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses for the years ended at March 31, 2013 and 2012 are as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Delivering expense	¥6,461	¥6,303	\$68,698
Advertising expense	1,266	1,475	13,461
Personal expense	87,874	84,773	934,333
Depreciation and amortization	1,380	1,523	14,673
Research and development expense	18,833	16,308	200,245
Other selling expense	5,771	6,027	61,361

7. Other Comprehensive Income

Other Comprehensive Income for the year ended March 31, 2013, consists of the following :

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Other comprehensive income			
Unrealized holding gain (loss) on securities			
Amount of accrual	¥689	¥165	\$7,326
Amount of recycling	(31)	(11)	(330)
Amount before tax effect adjustment	658	154	6,996
Tax effect adjustments	(235)	(36)	(2,498)
Unrealized holding gain (loss) on securities	¥423	¥118	\$4,498
Deferred gain or loss on hedges			
Amount of accrual	-	¥20	-
Tax effect adjustments	-	(8)	-
Deferred gain or loss on hedges	-	¥12	-
Foreign currency translation adjustments			
Amount of accrual	¥20,350	¥(1,213)	\$216,374
Amount of recycling	-	245	-
Amount before tax effect adjustment	20,350	(968)	216,374
Tax effect adjustments	-	-	-
Foreign currency translation adjustments	¥20,350	¥(968)	\$216,374
Minimum pension liability adjustment			
Amount of accrual	¥(36)	¥60	\$(383)
Tax effect adjustments	14	(24)	149
Minimum pension liability adjustment	¥(22)	¥36	\$(234)
Total other comprehensive income	¥20,751	¥(802)	\$220,638

8. Research and Development Expenses

Research and development costs charged to income for the years ended March 31, 2013 and 2012 are as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
	¥22,147	¥20,353	\$235,481

9. Income Taxes and Deferred Tax Assets and Liabilities

The following table summarizes the difference between the statutory tax rate and the Company's effective tax rate for the years ended March 31, 2013 and 2012.

1. Significant components of the Companies' deferred tax assets and liabilities for the years ended March 31, 2013 and 2012 are as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Deferred tax assets:			
Accrued retirement benefits	¥13,813	¥12,863	\$146,869
Intangible assets	5,867	6,677	62,382
Accrued bonuses	2,554	2,778	27,156
Elimination of consolidated unrealized gains	1,355	1,103	14,407
Other	3,805	4,554	40,457
Total gross Deferred tax assets	27,394	27,975	291,271
Valuation allowance	(1,500)	(1,342)	(15,949)
Total Deferred tax assets	25,894	26,633	275,322
Deferred tax liabilities:			
Retained earnings appropriated for tax allowable reserves	441	461	4,689
Unrealized gains on securities	407	178	4,327
Other	896	379	9,528
Total Deferred tax liabilities	1,744	1,018	18,544
Net deferred tax assets	¥24,150	¥25,615	\$256,778

Net deferred tax assets are included as below on consolidated balance sheet for the years ended March 31, 2013 and 2012.

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Current assets -			
Deferred tax assets	¥6,222	¥6,311	\$66,156
Fixed assets -			
Deferred tax assets	19,672	19,509	209,165
Current liabilities -			
Deferred tax liabilities	(115)	-	(1,223)
Long-term liabilities -			
Deferred tax liabilities	(1,630)	204	(17,331)

2. Difference between statutory tax rate and Company's effective tax rate

	2013	2012
Statutory tax rate	38.0%	40.6%
Effect of :		
Different tax rates applied to income of foreign subsidiaries	(5.7)	(12.1)
Expenses permanently not deductible for income tax purposes	1.1	2.2
Income permanently not included as revenue	(4.3)	(5.4)
Corporation tax special credit for research expenditures	(3.2)	(4.3)
Changes in valuation allowance	1.7	0.3
Downward revision of deferred tax asset by changes in tax rate	-	28.9
Amortization of goodwill of foreign subsidiaries	23.1	21.1
Other, net	0.8	1.0
Effective tax rates	51.5%	72.3%

10. Leases

(A) Finance Lease as a lessee

Finance Lease transactions, except for those which meet the conditions that the ownership of the leased assets was transferred to the lessee.

1-1. The content of Lease assets: tangible assets (tools, furnitures and fixture)

1-2. Depreciation method of lease assets:

According to the "Accounting Standard for Lease Transactions" and "Implementation Guidance for Accounting Standard for Lease Transactions", which have been adopted from the consolidated fiscal year beginning April 1, 2008, depreciation of assets under finance leases which do not transfer ownership of the leased assets to the lessee are calculated by the straight-line method over the lease period with no residual value.

(B) Operating Lease as a lessee

Future minimum lease payments for noncancelable operating leases are summarised as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Due within one year	¥463	¥367	\$4,923
Due after one year	463	422	4,923
	¥926	¥789	\$9,846

(C) Finance Lease as a lessor

1. Details of investment lease

1-1) Investment lease - current assets	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Lease revenues receivable	¥131	¥132	\$1,393
Interests receivable	(7)	(7)	(75)
	¥124	¥125	\$1,318

1-2) Investment lease - others

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Lease revenues receivable	¥1,271	¥1,554	\$13,514
Interests receivable	(72)	(88)	(765)
	¥1,199	¥1,466	\$12,749

2.Expected collect amounts of lease revenues receivable are as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Within one year	¥131	¥132	\$1,393
Between 1 to 2 years	620	959	6,592
Between 2 to 3 years	439	426	4,668
Between 3 to 4 years	110	147	1,170
Between 4 to 5 years	21	22	223
More than 5 years	81	-	861
	¥1,402	¥1,686	\$14,907

(D) Operating Lease as a lessor

Future minimum lease payments for noncancelable operating leases are summarised as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Due within one year	¥646	¥422	\$6,869
Due after one year	799	1,022	8,495
	¥1,445	¥1,444	\$15,364

(E) Other related information

Future minimum lease payments for noncancelable operating sub-leases are summarised as follows:

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Investment lease			
Current assets	¥414	¥655	\$4,402
Others	372	344	3,955
	¥786	¥999	\$8,357
Lease expenses payable			
Current liabilities	¥414	¥655	\$4,402
Fixed liabilities	372	344	3,955
	¥786	¥999	\$8,357

11. Consolidated Statement of Cash Flows

The content of important non-cash transaction

The impact of non-cash transactions on assets and liabilities under finance lease is ¥2,797 millions (\$29,740 thousands) and ¥2,841 millions (\$30,207 thousands) for the year ended March 31, 2013 and ¥2,237 millions and ¥2,230 millions for the year ended March 31, 2012, respectively.

12. Financial Instruments

For the year ended March 31, 2013

Overview

1. Policy for financial instruments

The Companies raise funds mainly using Toshiba Group Finance program. Essentially the Companies use the program for temporarily excess funds.

The Companies use derivatives for the purpose of reducing risks (described below) and does not enter into derivatives for speculative or trading purposes.

2. Types of financial instruments and related risks

Trade receivables (trade notes and accounts receivable) are exposed to credit risk in relation to customers. In addition, the Companies are exposed to foreign currency exchange rate fluctuation risk arising from receivables denominated in foreign currencies. In principle, the foreign currency exchange rate fluctuation risk deriving from the trade receivables denominated in foreign currencies, net of trade payables denominated in the same currencies, are hedged by forward foreign exchange contracts.

Investment securities are exposed to market risk. These are the equity securities of certain enterprises with which the Companies have business relationship.

Substantially all trade payables (trade notes and accounts payable) are due within one year. Although the Companies are exposed to foreign currency exchange rate fluctuation risk arising from those payables denominated in foreign currencies. But the volume of account payable is in the range of accounts receivable of the same currency.

A debt is a short-term used working capital which is mainly raised using the Toshiba Group Finance program.

Regarding derivatives, the Companies enter into forward foreign exchange contracts to reduce the foreign currency exchange rate fluctuation risk arising from the receivables and payables denominated in foreign currencies.

3. Risk management for financial instruments

1) Monitoring of credit risk

In accordance with the internal policies, the Credit Managing division monitors credit worthiness of their customers periodically, and monitors due dates and outstanding balances by individual customer. In addition, the Companies are making efforts to identify and mitigate risks of bad debts from customers who are having financial difficulties.

2) Monitoring of market risks (the risks arising from fluctuations in foreign exchanges rates, interest rates and others)

For trade receivables and payables denominated in foreign currencies, the Companies identify the foreign currency exchange rate fluctuation risk for each currency on a monthly basis and enters into forward foreign exchange contracts to hedge such risk.

The Accounting Division manages risks on derivative transaction, in accordance with the internal policies.

Monthly reports including actual transaction data are submitted to top management for their review.

For marketable securities and investment securities, the Companies periodically review the fair values of such financial instruments and the financial position of the issuers. In addition, the Companies continuously evaluate whether securities should be maintained taking into account their fair values and relationships with the issuers.

3) Monitoring of liquidity risk (the risk that the Companies may not be able to meet its obligations on scheduled due dates)

Based on the report from each division, the Companies prepare and update its cash flow plans on a timely basis to manage liquidity risk.

4. Supplementary explanation of the estimated fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, the fair value is determined based on reasonable estimates. Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in different fair value. In addition, the notional amounts of derivatives in Note 14 Derivative Transactions are not indicative of the actual market risk involved in derivative transactions.

Estimated Fair Value of Financial Instruments

The carrying value of financial instruments in the consolidated balance sheet as of March 31, 2013, and their estimated fair value are as follows:

	Millions of yen		
	Consolidated balance sheet	Estimated fair value	Difference
(a) Cash and cash equivalents	¥72,032	¥72,032	-
(b) Trade notes and accounts receivable	83,882		
Allowance for doubtful accounts *1	(1,126)		
	82,756	82,756	-
(c) Marketable securities and investment securities	2,268	2,268	-
(d) Trade notes and accounts payable	(71,764)	(71,764)	-
(e) Short- term loans	(3,093)	(3,093)	-
(f) Derivative transactions *2	(150)	(150)	-

	Thousands of U.S. dollars		
	Consolidated balance sheet	Estimated fair value	Difference
(a) Cash and cash equivalents	\$765,890	\$765,890	-
(b) Trade notes and accounts receivable	891,887		
Allowance for doubtful accounts *1	(11,972)		
	879,915	879,915	-
(c) Marketable securities and investment securities	24,115	24,115	-
(d) Trade notes and accounts payable	(763,041)	(763,041)	-
(e) Short- term loans	(32,887)	(32,887)	-
(f) Derivative transactions *2	(1,595)	(1,595)	-

*1 Allowance for doubtful accounts provided for individual customers are deducted.

*2 The value of assets and liabilities arising from derivatives is shown at net value.

Note: 1 Method to determine the estimated fair value of financial instruments and other matters related to securities and derivative transactions

(a) **Cash and cash equivalents, (b) Trade notes and accounts receivable**

Since these items are settled in a short period of time, their carrying value approximates fair value.

(c) **Marketable securities and investment securities**

The fair value of marketable equity securities is based on the quoted market price.

For information on securities by each holding purpose, refer to Note 13 Securities.

(d) **Trade notes and accounts payable, (e) Short-term loans**

Since these items are settled in a short period of time, their carrying value approximates fair value.

(f) **Derivatives transactions**

Refer to Note 14 Derivative Transactions

2 Financial instruments for which it is extremely difficult to determine the fair value

	Millions of yen	Thousands of U.S. dollars
Unlisted stocks	¥1,849	\$19,660

Because no quoted market price is available and it is extremely difficult to determine the fair value, the above financial instruments are not included in the above table.

3 Redemption schedule for receivables and marketable securities with maturities at March 31, 2013

	Millions of yen			
	Due in One Year or Less	Due after One year through Five years	Due after Five years through Ten years	Due after Ten Years
Cash and cash equivalents	¥72,032	-	-	-
Trade notes and account receivable	83,882	-	-	-
Marketable securities and investment securities				
Held-to-maturity debt securities				
National and local government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Other marketable securities with maturities				
Corporate bonds	-	-	-	-
Other	-	-	-	-
Total	¥155,914	-	-	-

	Thousands of U.S. dollars			
	Due in One Year or Less	Due after One year through Five years	Due after Five years through Ten years	Due after Ten Years
Cash and cash equivalents	\$765,890	-	-	-
Trade notes and account receivable	891,887	-	-	-
Marketable securities and investment securities				
Held-to-maturity debt securities				
National and local government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Other marketable securities with maturities				
Corporate bonds	-	-	-	-
Other	-	-	-	-
Total	\$1,657,777	-	-	-

For the year ended March 31, 2012

Estimated Fair Value of Financial Instruments

The carrying value of financial instruments in the consolidated balance sheet as of March 31, 2012, and their estimated fair value are as follows:

	Millions of yen		
	Consolidated balance sheet	Estimated fair value	Difference
(a) Cash and cash equivalents	¥85,959	¥85,959	-
(b) Trade notes and accounts receivable	56,817		
Allowance for doubtful accounts *1	(1,108)		
	55,709	55,709	-
(c) Marketable securities and investment securities	1,795	1,795	-
(d) Trade notes and accounts payable	(46,995)	(46,995)	-
(e) Short-term loans	(1,929)	(1,929)	-
(f) Derivative transactions *2	(364)	(364)	-

*1 Allowance for doubtful accounts provided for individual customers are deducted.

*2 The value of assets and liabilities arising from derivatives is shown at net value.

Note: 1 Method to determine the estimated fair value of financial instruments and other matters related to securities and derivative transactions

(a) Cash and cash equivalents, (b) Trade notes and accounts receivable

Since these items are settled in a short period of time, their carrying value approximates fair value.

(c) Marketable securities and investment securities

The fair value of marketable equity securities is based on the quoted market price. For information on securities by each holding purpose, refer to Note 13 Securities.

(d) Trade notes and accounts payable, (e) Short-term loans,

Since these items are settled in a short period of time, their carrying value approximates fair value.

(f) Derivatives transactions

Refer to Note 14 Derivative Transactions

2 Financial instruments for which it is extremely difficult to determine the fair value

	Millions of yen
Unlisted stocks	¥1,665

Because no quoted market price is available and it is extremely difficult to determine the fair value, the above financial instruments are not included in the above table.

3. Redemption schedule for receivables and marketable securities with maturities at March 31, 2012

	Millions of yen			
	Due in One Year or Less	Due after One year through Five years	Due after Five years through Ten years	Due after Ten Years
Cash and cash equivalents	¥85,959	-	-	-
Trade notes and account receivable	56,817	-	-	-
Marketable securities and investment securities				
Held-to-maturity debt securities				
National and local government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Other marketable securities with maturities				
Corporate bonds	-	-	-	-
Other	-	-	-	-
Total	¥142,776	-	-	-

13. Securities

1. Information regarding marketable Other Securities as of March 31, 2013 and 2012 are as follows:

	Millions of yen					
	2013			2012		
	Carrying value	Acquisition cost	Unrealized gain (loss)	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost:						
Stocks	¥2,005	¥892	¥1,113	¥1,622	¥940	¥682
Securities whose acquisition cost exceeds their carrying value:						
Stocks	263	306	(43)	173	206	(33)
Total	¥2,268	¥1,198	¥1,070	¥1,795	¥1,146	¥649

	Thousands of U.S. dollars		
	2013		
	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost:			
Stocks	\$21,319	\$9,484	\$11,835
Securities whose acquisition cost exceeds their carrying value:			
Stocks	2,796	3,254	(458)
Total	\$24,115	\$12,738	\$11,377

2. The proceeds from sales of securities, except those of the affiliated companies, for the years ended March 31, 2013 and 2012 were ¥57 millions (\$ 606 thousands) and ¥31 millions, respectively. The realized gains on those sales for the years ended March 31, 2013 and 2012 were ¥33 millions (\$351 thousands) and ¥10 millions, respectively.
3. Information regarding non-marketable securities as of March 31, 2013 and 2012 is as follows.

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
	Carrying value		Carrying value
Other securities			
Unlisted stocks	¥1,849	¥1,665	\$19,660
Others	-	-	-
Total	¥1,849	¥1,665	\$19,660

14. Derivative Transactions

1. Summarized below are the amount of contract and the estimated fair value of the derivative instruments outstanding at March 31, 2013 and 2012, for which hedged accounting has not been applied.

Transaction outside the market

Currency-related transactions

Millions of yen								
2013						2012		
Contract amount		Fair value	Unrealized Gain(Loss)	Contract amount		Fair value	Unrealized Gain(Loss)	
Maturing within one year	Maturing after one year			Maturing within one year	Maturing after one year			
Forward foreign exchange contracts								
Sell:								
EUR	¥6,005	-	(149)	(149)	¥6,212	-	(361)	(361)
CAD	5	-	(1)	(1)	38	-	(3)	(3)
Total	¥6,010	-	¥(150)	¥(150)	¥6,250	-	¥(364)	¥(364)

*Calculation of fair value is based on the value from financial institutions.

Thousands of U.S. dollars				
2013				
Contract amount		Fair value	Unrealized Gain(Loss)	
Maturing within one year	Maturing after one year			
Forward foreign exchange contracts				
Sell:				
EUR	\$63,849	-	\$(1,584)	\$(1,584)
CAD	53	-	(11)	(11)
Total	\$63,902	-	\$(1,595)	\$(1,595)

*Calculation of fair value is based on the value from financial institutions.

2. Summarized below are the amount of contract and the estimated fair value of the derivative instruments outstanding at March 31, 2013 and 2012, for which hedged accounting is applied.

Currency-related transactions

- (1) Net deferred profits on hedges, accounted for as part of accounts receivable

Not applicable

- (2) Forward foreign exchange contracts, accounted for as part of accounts receivable

Millions of yen					
2013			2012		
Contract amount		Fair value	Contract amount		Fair value
Maturing within one year	Maturing after one year		Maturing within one year	Maturing after one year	
Forward foreign exchange contracts					
Sell:					
CAD	¥317	-	¥(47)	¥352	-
AUD	169	-	(26)	476	-
Total	¥486	-	¥(73)	¥828	-

*Calculation of fair value is based on the value from financial institutions.

Thousands of U.S. dollars			
2013			
Contract amount		Fair value	
Maturing within one year	Maturing after one year		
Forward foreign exchange contracts			
Sell:			
CAD	\$3,370	-	\$(500)
AUD	1,797	-	(276)
Total	\$5,167	-	\$(776)

*Calculation of fair value is based on the value from financial institutions.

15. Segment Information

(A) Business Segment for the years ended in March 31, 2013 and 2012

1. Summary of reportable segment

The reportable segments of the Companies are components for which discrete financial information is available and whose operating results are regularly reviewed by the Executive Committee to make decisions about resource allocation and to assess performance.

Aiming the growth as a total solution provider, the Companies create comprehensive strategies per market and develop business activities under a framework for business operation by each market segment.

Therefore, the Companies report on "System Solutions Business Group" and "Global Solutions Business Group" as a reportable segments.

2. The calculation method for amounts of sales, income, assets and other items per reportable segments

The accounting policies of the segments are substantially the same as those described in the significant accounting policies in Note 2.

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Net Sales			
System Solutions Business Group			
Unaffiliated customers	¥179,008	¥167,911	\$1,903,328
Intersegment	1,769	1,773	18,809
Total	180,777	169,684	1,922,137
Global Solutions Business Group			
Unaffiliated customers	224,686	182,693	2,389,006
Intersegment	10,756	10,070	114,365
Total	235,442	192,763	2,503,371
Adjustments	(12,525)	(11,843)	(133,174)
Consolidated	¥403,694	¥350,604	\$4,292,334
Segment Income			
System Solutions Business Group	¥8,708	¥5,865	\$92,589
Global Solutions Business Group	7,178	4,965	76,321
Consolidated	¥15,886	¥10,830	\$168,910
Segment Assets			
System Solutions Business Group	¥74,546	¥69,035	\$792,621
Global Solutions Business Group	302,062	147,650	3,211,717
Adjustments	11,905	59,751	126,582
Consolidated	¥388,513	¥276,436	\$4,130,920
Depreciation			
System Solutions Business Group	¥2,475	¥2,735	\$26,316
Global Solutions Business Group	9,587	8,304	101,935
Consolidated	¥12,062	¥11,039	\$128,251
Amortization			
System Solutions Business Group	¥164	¥199	\$1,744
Global Solutions Business Group	4,630	2,333	49,229
Consolidated	¥4,794	¥2,532	\$50,973
Capital Expenditures			
System Solutions Business Group	¥2,673	¥2,205	\$28,421
Global Solutions Business Group	81,064	9,962	861,925
Consolidated	¥83,737	¥12,167	\$890,346

Note:1 Adjustments of Segment Assets are Corporate assets, and consist of cash and cash equivalents and investment securities in the amount of ¥11,905 millions (\$126,582 thousands) and ¥59,751 millions in March 31, 2013 and 2012, respectively.

2 Segment Income corresponds to Operating Income of Consolidated Statement of Operations.

The main products of each business segments

System Solutions Business Group

POS Systems, Electronic Cash Register, Electronic Scales, Multifunction Peripherals, in Japan

Global Solutions Business Group

POS Systems, Electronic Cash Register, Electronic Scales, Multifunction Peripherals, abroad

(B) Relative Information

1. Products and service information

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Net sales of Retail	¥238,110	¥192,402	\$2,531,739
Net sales of MFP	165,584	158,202	1,760,595
	¥403,694	¥350,604	\$4,292,334

Retail: POS system, Auto-ID system which contain hardware and software to automatically retrieve, identify and manage data, from Barcodes and IC tags
MFP: Multi Function Peripherals, Facsimiles, various unit parts and inkjet print heads

2. Information by geographical area

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Net Sales			
Japan	¥190,086	¥177,158	\$2,021,116
American States	103,326	67,628	1,098,628
Europe	76,211	73,775	810,324
Asia and others	34,071	32,043	362,266
Net sales	¥403,694	¥350,604	\$4,292,334
Tangible Fixed Assets			
Japan	¥13,425	¥13,752	\$142,743
American States	7,173	6,800	76,268
Europe	7,058	6,049	75,045
Asia and others	4,190	3,927	44,551
Net sales	¥31,846	¥30,528	\$338,607

Criteria of geographical segmentation and the name of countries or areas mainly included in each segment except for Japan are as follows:

- 1) Criteria: geographical closeness
- 2) Countries & Areas
 - 1 American States
U.S.A., Canada, Mexico, Puerto Rico, Panama, Venezuela, Brazil, Chile
 - 2 Europe
U.K., France, Germany, Spain, Switzerland, Belgium, Italy, Netherlands, Sweden, Norway, Denmark, Finland, Poland
 - 3 Asia and Others
Singapore, Malaysia, Indonesia, China, Australia, Korea

3. Information by major customer

There are no customers whom the Companies sell it to more than 10% of total sales for the years ended in March 31, 2013 and 2012.

4. Information on impairment loss in fixed assets by business segment

There are no events to be noted for this purpose for the years ended in March 31, 2013 and 2012.

5. Information on amortization of goodwill and unamortized balance by business segment

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
	Balance at end of period		Balance at end of period
System Solutions Business Group	¥492	¥682	\$5,231
Global Solutions Business Group	74,731	16,171	794,588
Consolidated	¥75,223	¥16,853	\$799,819

For the amount of amortization of goodwill, it is omitted as it is disclosed in "Segment Information"

6. Information on negative goodwill by business segment

The year ended in March 31, 2013

The importance of the amount of money is scarce, so a statement is omitted.

The year ended in March 31, 2012

There are no events to be noted for this purpose.

16. Stock Option Plan

The stock options outstanding as of March 31, 2013 are as follows:

1. The amount and the accounting subject in relation to the stock options existing for the year ended March 31, 2013. Selling, General and Administrative Expenses for the years ended March 31, 2013 and 2012 are ¥45 millions (\$478 thousands) and ¥40 millions, respectively.

2. The size of stock option and its circumstances

1) General information

	The first new share subscription rights as share-reward type stock option
Qualified beneficiaries	18 of the Company directors and corporate officers
Type of shares for which new subscription rights offered (Note1)	83,000 shares of Common stock
Date of issuance	August 1, 2008
Condition of exercising	(Note2)
Vesting period	No conditional period required
Subscription rights exercise period	From August 2, 2008 to August 1, 2038

	The second new share subscription rights as share-reward type stock option
Qualified beneficiaries	17 of the Company directors and corporate officers
Type of shares for which new subscription rights offered (Note1)	169,000 shares of Common stock
Date of issuance	July 31, 2009
Condition of exercising	(Note2)
Vesting period	No conditional period required
Subscription rights exercise period	From August 1, 2009 to July 31, 2039

	The third new share subscription rights as share-reward type stock option
Qualified beneficiaries	17 of the Company directors and corporate officers
Type of shares for which new subscription rights offered (Note1)	134,000 shares of Common stock
Date of issuance	July 30, 2010
Condition of exercising	(Note2)
Vesting period	No conditional period required
Subscription rights exercise period	From July 31, 2010 to July 30, 2040

	The fourth new share subscription rights as share-reward type stock option
Qualified beneficiaries	17 of the Company directors and corporate officers
Type of shares for which new subscription rights offered (Note1)	128,000 shares of Common stock
Date of issuance	August 2, 2011
Condition of exercising	(Note2)
Vesting period	No conditional period required
Subscription rights exercise period	From August 3, 2011 to August 2, 2041

	The fifth new share subscription rights as share-reward type stock option
Qualified beneficiaries	17 of the Company directors and corporate officers
Type of shares for which new subscription rights offered (Note1)	156,000 shares of Common stock
Date of issuance	August 2, 2012
Condition of exercising	(Note2)
Vesting period	No conditional period required
Subscription rights exercise period	From August 3, 2012 to August 2, 2042

Note:1 The amount is converted into the number of shares.

2 Fixed term of the right is not given.

Subscription rights may be exercised in a lump sum within expiration cycle and 10 days after a beneficiary resigns from directors or corporate officers.

- 2) The size of stock option and movement

Addressed is the amount of stock option existing as of March 31, 2013.

As for the number of stock option, it is converted into the number of shares.

- 2)-1. The number of stock option

	The first new share subscription rights as share-reward type stock option	The second new share subscription rights as share-reward type stock option	The third new share subscription rights as share-reward type stock option	The fourth new share subscription rights as share-reward type stock option	The fifth new share subscription rights as share-reward type stock option
Before the resolution					
End of the preceding term	-	-	-	-	-
Offered	-	-	-	-	156,000
Cancelled	-	-	-	-	-
Vested	-	-	-	-	156,000
Outstanding	-	-	-	-	-
After the resolution					
End of the preceding term	32,000	78,000	77,000	128,000	-
Vested	-	-	-	-	156,000
Exercised	4,000	10,000	8,000	14,000	-
Cancelled	-	-	-	-	-
Outstanding	28,000	68,000	69,000	114,000	156,000

- 2)-2. Per share data

	The first new share subscription rights as share-reward type stock option	The second new share subscription rights as share-reward type stock option	The third new share subscription rights as share-reward type stock option	The fourth new share subscription rights as share-reward type stock option	The fifth new share subscription rights as share-reward type stock option
Exercised price	¥1 (\$0.011)	¥1 (\$0.011)	¥1 (\$0.011)	¥1 (\$0.011)	¥1 (\$0.011)
The average price at the time of exercising	¥287 (\$3.052)	¥287 (\$3.052)	¥287 (\$3.052)	¥293 (\$3.115)	-
Official price at the date of offered	¥560 (\$5.954)	¥393 (\$4.179)	¥307 (\$3.264)	¥316 (\$3.360)	¥291 (\$3.094)

3. The evaluation of fair price of stock option

- 1) The evaluation method used: Black-Scholes method

- 2) General information and the method of estimation

	The fifth new share subscription rights as share-reward type stock option
Stock market volatility (Note 1)	30.8%
Estimated residual period (Note 2)	1.5 years
Estimated dividends (Note 3)	¥7 (\$0.074) per share
Risk-free rate (Note 4)	0.09%

Note:1 The figure is calculated based on actual share data from January 24, 2011 up to the week of offered.

2 The calculation is based on the condition that the Company's directors or corporate officers are resigned and the exercised exactly after the day of resignation.

3 The estimated figure is based on the actual dividend amount for the year ended March 31, 2012.

4 Estimated capitalisation cycle of government bond is in accordance with estimated residual period

4. The method of estimating the number of stock option vested
Fundamentally, only the actual number of cancelled is shown as it is difficult to estimate possible number of cancelled.

17. Business Combination

Business Combinations of acquisition

1. Outline of the business combination:

The Company acquired IBM's RSS business effective on August 1, 2012.

In this connection, the Company has started the business around the world by founding the holding company, business corporations and branches in 43 countries and areas. Moreover, the Company plans to start the business in other countries and areas, but the effect on the consolidated financial statements will be immaterial.

Ownership investment in the holding company established in Japan is as below:

The Company 80.1%

IBM Taiwan 19.9%

The Company will acquire 100% ownership of this holding company in certain periods of time.

1) Name of the acquired company and business contents:

Name of the acquired company: International Business Machines Corporation
Business contents: Hardware (system & technology), Software, Service,
Consulting in IT and Integration solution

2) Main reason for business combination:

By acquiring IBM's RSS business, the Company aims at becoming a leading company of the retail point of sales system which develops high level products and solution globally in a retail solution market.

3) Date of business combination:

August 1, 2012

4) Legal form of the business combination:

Acquisition of Business

5) Name of companies subsequent to the combination:

The Company established subsidiaries in each country, which acquired the business:
Toshiba Global Commerce Solutions Holdings Corporation
Toshiba Global Commerce Solutions, Inc.
Toshiba Global Commerce Solutions Mexico, S. de R.L. de C.V. etc.

2. Period of operating result of the acquired business included in the consolidated financial statements:

From August 1, 2012 to March 31, 2013

3. Acquisition costs and its detail:

The acquisition cost was \$850 millions (¥68.0 billions) based on the original agreement, but it is estimated at \$797 millions (¥66.2 billions) under the current conditions.

Expenses incidental to this acquisition was ¥1,833 millions (\$19,490 thousands).

In addition, the total amount of acquisition cost may change in the future because there are some companies for which the contents of acquired assets and liabilities have not been determined yet in 43 countries and areas, and the change of the working capital at the time of acquisition has been scrutinized based on the agreement.

4. Amount of goodwill recognized, amortization method, amortization period and reason for recognizing goodwill:

1) Amount of goodwill recognized, amortization method, amortization period

The amount of goodwill is ¥52,523 millions (\$558,458 thousands) which is provisionally estimated for the acquired business in the 43 countries and areas included in the year ended March 31, 2013.

In addition, in the third quarter ended December 31, 2012, the amount of goodwill of ¥29,359 millions (\$312,164 thousands) was recognized by the result of provisional allocation of acquisition costs.

But during the course of further investigation of the Company reconsidered allocation of current acquisition costs, and the Company transferred some intangible assets to goodwill at the end of this fiscal year.

Moreover, method and term to amortize goodwill is straight-line method 17 years.

2) Reason for recognizing goodwill:

Goodwill was recognized because the net value allocated to the assets acquired and liabilities assumed underrun the acquisition cost of the company.

5. Amounts of assets and liabilities acquired on the day of the business combination:

Current assets :	¥3,810 millions (\$40,510 thousands)
Non-current assets :	¥14,621 millions (\$155,460 thousands)
<hr/>	
Total assets :	¥18,431 millions (\$195,970 thousands)
<hr/>	
Current liabilities :	¥2,971 millions (\$31,590 thousands)
<hr/>	
Total liabilities :	¥2,971 millions (\$31,590 thousands)

6. Pro forma amounts of impact and its calculation method on the consolidated statement of income for the fiscal year ended March 31, 2013, assuming that the business combinations had been completed on the commencement date of the fiscal year:

Net Sales	¥23,527 millions (\$250,154 thousands)
Operating income	¥1,012 millions (\$10,760 thousands)
Ordinary profit	¥724 millions (\$7,698 thousands)

(Calculation method of the approximate amounts)

Pro forma amounts of impact were calculated at the difference between the sales and other income data estimated assuming that the business combination had been completed on the commencement date of the fiscal year, and the actual sales and other income data that are recorded in the consolidated statement of income.

In addition, the amount of amortization of goodwill recognized at the acquisition has been adjusted which are newly recognized at the time of business combination.

This pro forma information mentioned above has not been audited.

Note: The rate of yen amounts in this represent translations of dollar is used the rate of the acquisition day.

18. Asset Retirement Obligation

The importance of the amount of money is scarce, so a statement is omitted.

19. Transaction with Related Parties

1. Transaction with Related Parties

(A) Transaction with Related Parties for the year ended March 31, 2013.

(¥=Million, US\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Parent company	Toshiba Corporation	Minato-ku, Tokyo	¥439,901 \$(4,677,310)	Manufacturing and sales of Digital Products and Electronic devices and Home Appliances	direct: 52.8% indirect: 0.1%

Relationship		Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Dispatch of executive officers, etc.	Business Relationship				
interlocking of directors	Sales of our products, Deposit of fund and Purchase of Toshiba products	Deposits of funds	(Note)	Cash and Cash equivalent, Accured interest, Interest income	¥19,323 (\$205,455), ¥0 (\$0), ¥34 (\$362)

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed. Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters
(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand, S\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Singapore Pte.,Ltd.	Singapore	S\$11,600	Sales and maintenance of audio visual equipment, personal computers, document processing and telecommunication equipments, etc.	Note

Relationship		Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Dispatch of executive officers, etc.	Business Relationship				
Note	Sales of our products	Sales of document processing and Multifunction Peripherals, etc.	¥7,552	Accounts receivable	¥3,023 (\$32,142)

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Policy for determining trade terms and conditions and other related matters
(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand, S\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Capital (Asia) LTD.	Singapore	S\$4,000	Financing of corporate subsidiaries overseas etc.	Note

Relationship		Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Dispatch of executive officers, etc.	Business Relationship				
Note	Deposits of funds	Deposits of funds	(Note)	Cash and Cash equivalents, interest income	¥8,379 (\$89,091), ¥7 (\$74)

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed. Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters
(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand, GBP=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba International Finance (UK) Plc.	London, UK	GBP 5,000	Financing of corporate subsidiaries overseas etc.	Note

Relationship		Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Dispatch of executive officers, etc.	Business Relationship				
Note	Deposits of funds	Deposits of funds	(Note)	Cash and Cash equivalents	¥4,838 (\$51,441)

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed. Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters
(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba America, Ltd.	New York, USA	\$1,002,550	The holding company of the U.S. operation supervising company	Note

Relationship		Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Dispatch of executive officers, etc.	Business Relationship				
Note	Deposits of funds	Deposits of funds	(Note)	Cash and Cash equivalents	¥10,450 (\$111,111)

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed. Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters
(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(B) Transaction with Related Parties for the year ended March 31, 2012.

(¥=Million, US\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights owned (%)
Parent company	Toshiba Corporation	Minato-ku, Tokyo	¥439,901	Manufacturing and sales of Digital Products and Electronic devices and Social Infrastructure and Home Appliances	direct: 52.9% indirect: 0.1%
Relationship					
Dispatch of executive officers, etc.	Business Relationship	Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
interlocking of directors	Sales of our products, Deposit of fund and Purchase of Toshiba products	Deposits of funds	(Note)	Cash and Cash equivalent, Accrued interest, Interest income	¥58,593 ¥2 ¥134

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed.
Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters

(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand, S\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Singapore Pte.,Ltd	Singapore	S\$11,600	Sales and maintenance of audio visual equipment, personal computers, document processing and telecommunication equipments, etc.	Note
Relationship					
Dispatch of executive officers, etc.	Business Relationship	Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Note	Sales of our products	Sales of document processing and telecommunication equipments, etc.	¥6,895	Accounts receivable	¥2,368

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Policy for determining trade terms and conditions and other related matters

(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, US\$=Thousand, S\$=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Capital(Asia) LTD.	Singapore	S\$ 4,000	Financing of corporate subsidiaries overseas etc.	Note
Relationship					
Dispatch of executive officers, etc.	Business Relationship	Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Note	Deposits of funds	Deposits of funds	(Note)	Cash and Cash equivalents, Interest income	¥5,799 ¥3

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed.
Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters

(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

(¥=Million, S\$=Thousand, GBP=Thousand)

Status	Name	Address	Capital	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba International Finance(UK) Plc.	London,UK	GBP 5,000	Financing of corporate subsidiaries overseas etc.	Note
Relationship					
Dispatch of executive officers, etc.	Business Relationship	Transaction	Transaction Amount	Account item	Balance at Fiscal Year End
Note	Deposits of funds	Deposits of funds	(Note)	Cash and Cash equivalents	¥1,559

With regard to the amount above, Transaction Amount and Balance at Fiscal Year End don't include consumption taxes.

Note: Concerning Deposits of funds, it's difficult to figure out Transaction Amount because fund settlement is performed whenever needed.
Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and conditions and other related matters

(1) Depositing funds are determined from market rates and offers from third party interests rates.
(2) For sales of the products, it is determined as general transaction over negotiation with offering our price, considering market price and total cost.

2. Notes regarding parent company and material affiliated companies

Information on the parent company

Toshiba Corporation (listed on Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, London Stock Exchange)

20. Cash Dividends

(A) Cash dividends for the year ended March 31, 2013

(1) Cash dividends paid

(resolution)	Type of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Board of directors held on April 27, 2012	Common stock	¥1,097	¥4.0	March 31, 2012	June 1, 2012
Board of directors held on November 1, 2012	Common stock	¥1,097	¥4.0	September 30, 2012	December 3, 2012

(resolution)	Type of shares	Total amount of dividends (Thousands of U.S.dollars)	Dividends per share (U.S.dollars)	Record date	Effective date
Board of directors held on April 27, 2012	Common stock	\$11.664	\$0.04	March 31, 2012	June 1, 2012
Board of directors held on November 1, 2012	Common stock	\$11.664	\$0.04	September 30, 2012	December 3, 2012

(2) Year end dividends of the following fiscal year

(resolution)	Type of shares	Total amount of dividends (Millions of yen)	Dividend resource	Dividends per share (Yen)	Record date	Effective date
Board of directors held on April 26, 2013	Common stock	¥1,097	Retained earnings	¥4.0	March 31, 2013	June 3, 2013

(resolution)	Type of shares	Total amount of dividends (Thousands of U.S.dollars)	Dividend resource	Dividends per share (U.S.dollars)	Record date	Effective date
Board of directors held on April 26, 2013	Common stock	\$11.664	Retained earnings	\$0.04	March 31, 2013	June 3, 2013

(B) Cash dividends for the year ended March 31, 2012

(1) Cash dividends paid

(resolution)	Type of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Board of directors held on April 28, 2011	Common stock	¥1,370	¥5.0	March 31, 2011	June 1, 2011
Board of directors held on November 2, 2011	Common stock	¥823	¥3.0	September 30, 2011	December 1, 2011

(2) Year end dividends of the following fiscal year

(resolution)	Type of shares	Total amount of dividends (Millions of yen)	Dividend resource	Dividends per share (Yen)	Record date	Effective date
Board of directors held on April 27, 2012	Common stock	¥1,097	Retained earnings	¥4.0	March 31, 2012	June 1, 2012

21. Per share Information

Per share information at March 31, 2013 and 2012 are as follows:

	Yen		U.S.dollars
	2013	2012	2013
Net assets per share	¥549.42	¥472.36	\$5.842
Net income per share	22.64	9.35	0.241
Net income per share fully diluted	22.61	9.34	0.240

* Net income per share and net assets per share fully diluted were calculated on the basis of the following data.

	Millions of yen		Thousands of U.S.dollars
	2013	2012	2013
Net income per share			
Net income	¥6,212	¥2,566	\$66,050
Amounts not attributable to common stock	-	-	-
Net income attributable to common stock	6,212	2,566	66,050
Average number of shares of common stock during the period (thousand shares)	274,324	274,274	
Net income per share fully diluted			
Adjustment to net income	-	-	-
Increase in number of common stocks (thousand shares)	389	305	
(Share subscription rights)	389	305	
Outline of the residual securities excluded from the calculation of the fully diluted net income per share because they have no dilutive effects.	-	-	-

22. Subsequent Event

Not applicable



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Independent Auditor's Report

The Board of Directors
TOSHIBA TEC CORPORATION

We have audited the accompanying consolidated financial statements of TOSHIBA TEC CORPORATION and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of TOSHIBA TEC CORPORATION and its consolidated subsidiaries as at March 31, 2013, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 27, 2013
Tokyo, Japan

TOSHIBA TEC CORPORATION

Corporate Data

1-11-1, Osaki, Shinagawa-ku, Tokyo 141-8562, Japan
Tel: +81-3-6830-9100
Fax: +81-3-6684-4001
<http://www.toshibatec.co.jp/>
Established: February 21, 1950
Employees: 3,735 <Consolidated: 20,517> (as of March 2013)
Common Stock: ¥39,971 million (as of March 2013)
Stock Listing: Tokyo Stock Exchange (1st Section)

Board of Directors and Audit & Supervisory Board (as of June 27, 2013)

President and Chief Executive Officer

◇Mamoru Suzuki

Directors

Hiroshi Inubushi
Masato Yamamoto
Takayuki Ikeda
Masayoshi Hirata
Issei Ichihara
Mitsuhiro Taketani
Masahiko Fukakushi

Audit & Supervisory Board Members

Hiroyuki Ikeda
Hiroshi Kitano
Takehiko Ouchi
Toshihiko Matsumoto

◇:Representative Director

Main Consolidated Companies (as of March 31, 2013)

- TOSHIBA AMERICA BUSINESS SOLUTIONS, INC.
- TOSHIBA TEC SOLUTION SERVICES CORPORATION
- TOSHIBA GLOBAL COMMERCE SOLUTIONS, INC.
- TOSHIBA TEC GERMANY IMAGING SYSTEMS GmbH
- TOSHIBA TEC FRANCE IMAGING SYSTEMS S.A.
- TOSHIBA TEC EUROPE RETAIL INFORMATION SYSTEMS S.A.
- TOSHIBA GLOBAL COMMERCE SOLUTIONS MEXICO, S. DE R.L. DE C.V.
- TOSHIBA TEC U.K. IMAGING SYSTEMS LTD.
- TOSHIBA TEC INFORMATION SYSTEMS (SHENZHEN) CO., LTD.
- TOSHIBA TEC SINGAPORE PTE LTD
- P.T. TEC INDONESIA
- TEC PRECISION CO., LTD.
- TOSEI CORPORATION
- TEC INFORMATION SYSTEMS CORPORATION
- KOKUSAI CHART CORPORATION
- TOSHIBA TEC (H.K.) LOGISTICS & PROCUREMENT LTD.
- TOSHIBA GLOBAL COMMERCE SOLUTIONS HOLDINGS CORPORATION

