



Made for Life Report
2008

CSR report

TOSHIBA MEDICAL SYSTEMS CORPORATION



TOSHIBA MEDICAL SYSTEMS CORPORATION

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TOSHIBA MEDICAL SYSTEMS CORPORATION

Basic Commitment of Toshiba Medical Systems Corporation, and Basic Commitment Embodied in Management Slogan

Basic Commitment

Toshiba Medical Systems Corporation (TMSC) continues to contribute to healthcare and social welfare by providing innovative, advanced products and solutions to its customers worldwide. We create medical technology, taking the slogan "Made for Life" as our guiding philosophy and focusing on the following principles.

- 1 We offer technology that provides fast, accurate diagnosis, improved treatment, and enhanced patient care,
- 2 We produce reliable systems that offer maximum uptime, increased utility, and improved workflow,
- 3 We are committed to developing long-term, customer-focused lifetime solutions.

Management Slogan

"Made for Life", the slogan adopted by Toshiba Medical Systems Corporation, symbolizes the company's basic commitments.



Made for Patients
Made for You
Made for Partnership

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■ Editing Policy

In fiscal 2007, to help more people understand our wide range of activities as a global company, we expanded the content of the social and environmental report, outlining the activities of our overseas group companies in addition to those of the domestic group companies. The CSR report can also be viewed on our website, and provides comprehensive information on our CSR activities.

■ Period of report

April 1st, 2007 to March 31st, 2008

■ Extent of report

Toshiba Medical Systems Corporation and TMSC group companies. Parts of the report also present the activities of the entire Toshiba Group or Toshiba Group companies.

■ Publication Date


End of June 2008
(Previous publication: June 2007; next publication: end of June 2009)

■ Reference guidelines

- GRI,* "Sustainability Reporting Guidelines 2002 (2nd edition)" and "Sustainability Reporting Guidelines 3rd edition (G3)"
- Ministry of the Environment, "Environmental Reporting Guidelines, Fiscal Year 2003 Version" and "Environmental Reporting Guidelines, Fiscal Year 2007 Version"

*GRI: Global Reporting Initiative

■ More details on our website

This symbol  indicates that further information is available from our website.

Message from the President

Contributing to society through the healthcare field.

Toshiba Medical Systems Group operates globally, under the management slogan "Made for Life". Our mission is to contribute to society through the healthcare field by developing advanced medical technologies. We conduct business according to the principles contained in our basic commitments: "Improving the quality of life", "Lifelong commitment to innovation", and "Achieving lifetime partnerships".

In fiscal 2007, we introduced a wide variety of new products that provide new clinical value, and the response from customers around the world has been very enthusiastic. By listening closely to our customers' voices, we will actively contribute to society through the healthcare field.

Promoting CSR management on a global scale

As a global company, we conduct business in many countries. Under the corporate slogan for the Toshiba Group, "Leading Innovation", we endeavor to achieve innovation in the healthcare field. "Implementation of CSR management" provides a foundation for these innovations. We will contribute to the community by observing the laws, regulations, and customs of each country and region. Furthermore, we believe that protection and preservation of the fragile global environment is an important issue that companies must address. We are working hard to reduce our environmental impact by implementing an environmental management promotion system and setting our own strict goals. Our environmentally friendly medical products are a result of these efforts. Last year, one of our products received an Eco-Products Award (Chairperson's Award, Eco-Products Awards Steering Committee). We will continue to actively promote environmental activities.

Giving absolute priority to life, safety, and compliance with laws and regulations.

Our standards of conduct in the implementation of CSR require that we "give full priority to life, safety, and compliance with laws and regulations. We have further strengthened our technology/production compliance system as well as our sales compliance system, and are observing all laws and regulations, social norms, ethics, and company rules in all our business activities. In June 2007 we restructured our quality assurance system and clarified responsibilities in all business processes, from the product development stage to production and disposal. We will continue working hard to provide safe, high-quality, reliable products.

Acting and advancing together with our stakeholders

In order to implement CSR management based on the management slogan "Made for Life", we place importance on communication with all stakeholders, including our customers. All employees of Toshiba Medical Systems Group practice CSR in their daily activities, aiming to contribute to a better society and to fulfill the expectations of our stakeholders.



President & CEO
Kenichi Komatsu

We all have loved ones and a life to make.

Everything in our lives is interconnected: family, local community, and society. In order to improve the quality of life for all, Toshiba Medical Systems Corporation is determined to contribute to society through the field of medicine from all possible perspectives.

As a global company, we respect the lives of people worldwide.

With the aim of realizing a sustainable society, we will continue to build upon small efforts to achieve larger results, and will face our challenges directly.

Basic Policies Concerning the CSR Activities of Toshiba Medical Systems

- 1 Contribute positively as a member of society with a respect for life.
- 2 Practice honest, transparent management, giving absolute priority to life, safety, and compliance with laws and ordinances, and aim to be an Earth-conscious enterprise.
- 3 Build relationships based on trust, enhanced through communication with all our stakeholders, including customers, employees, shareholders, and the local community.



Objectives and main results for fiscal 2007. Objectives and plans for fiscal 2008

Item	Objectives for fiscal 2007	Main results for fiscal 2007	Page	Objectives and plans for fiscal 2008		
Management	CSR management	Cultivation of CSR awareness in all employees of group companies		Promotion of CSR activities during CSR Promotion Month (December)		
	Risk compliance	Reinforcement and improvement of the risk compliance system	<ul style="list-style-type: none"> • Distribution of messages from the president • Promotion of CSR activities in "CSR Promotion Month" (December) 	P10	<ul style="list-style-type: none"> • Implementation of various compliance promotion policies that include group companies • Thorough implementation of Toshiba Medical Systems Group standards of conduct • Promotion of compliance training 	
		Cultivation of risk compliance awareness	<ul style="list-style-type: none"> • Restructuring of the technology/production compliance system and sales compliance system • Establishment of a reporting system for business partners 			
		Policy implementation in group companies and reinforcement of cooperation in CSR activities	<ul style="list-style-type: none"> • Training in Toshiba Medical Systems Group standards of conduct • Training in engineering ethics, sales compliance, information security, etc. 			
Social reporting	Relationship with customers	Evaluation of customer satisfaction through periodic questionnaires	Customer questionnaire			P11-13
		Promotion of universal design	Adoption of designs in new products that ensure patient comfort		Promotion of development of products that incorporate "universal design"	
		Enhancement of customer support	Improvement of customer service, including the establishment of a new call center		Further reinforcement of customer support	
	Relationship with employees	Promotion of good work-life balance	<ul style="list-style-type: none"> • Improvement of support systems for balancing work and family life • Acquisition of certification based on the Law for Measures to Support the Development of the Next Generation 	P14-15	<ul style="list-style-type: none"> • Promotion of work-style innovation • Respect for diversity • Employee Survey • Cultivation of awareness of the Occupational Health and Safety Management System 	
		Creation of diversity of organizations	Achievement of the legal employment rate for disabled people			
		Creation of a comfortable working environment for employees	Creation of a working environment that reflects the voices of employees			
		Acquisition of OHSAS18001 (Occupational Health and Safety Management System) certification	Acquisition of certification for Nasu Operations and Toshiba Medical Manufacturing Co., Ltd.			
	Relationship with local community	Expansion of community service activities	Continuous implementation of community service activities, such as the Pink Ribbon Campaign	P16-17	Promotion of community service activities in various regions of the world	
Environmental reporting		Continuous implementation of our own voluntary environmental plan ("Fourth Voluntary Environmental Plan")	<ul style="list-style-type: none"> • Provision of environmentally friendly products • Prevention of global warming and effective use of resources 	P18-27	<ul style="list-style-type: none"> • Provision of environmentally friendly products • Prevention of global warming and effective use of resources • Enhancement of environmental management in branch offices and group companies in Japan • Environmental protection cost/benefit evaluation and environmental accounting (including overseas group companies) • Expansion of the scope of certification for ISO14001 	
		Enhancement of the environmental management promotion system	<ul style="list-style-type: none"> • Enhancement of environmental management in branch offices and group companies in Japan • Environmental protection cost/benefit evaluation and environmental accounting (including overseas group companies) 			
Communication		Publication of CSR Report	<ul style="list-style-type: none"> • First publication of CSR Report • Improvement of the company website 	P12	<ul style="list-style-type: none"> • Publication of CSR Report • Improvement of the company website 	
		Promotion of communication with stakeholders	Seminars, business strategy presentations, and factory tours			Seminars, business strategy presentations, and factory tours

We conduct business worldwide for the healthcare everyone needs.

Our sales and service network extends over 120 countries worldwide.

- Overseas group companies: 20 companies
- Distributors: 80 companies



Toshiba's medical systems are used at medical care sites around the world. In order to contribute to the improvement of healthcare, we promote research and development of advanced technologies and operate our business globally.

We offer total solutions

Aiming to maximize clinical value, we offer a wide range of solutions, including diagnostic imaging systems, radiotherapy systems, and healthcare IT systems.



Healthcare IT systems

Toshiba medical systems, in operation around the world



Multislice CT system

MRI system

Diagnostic ultrasound system

Diagnostic X-ray system

Diagnostic nuclear medicine system

Clinical laboratory system

Radiotherapy system

Endoscopy system

We provide medical technologies based on patient-oriented innovation.



Our criteria for choosing the best CT systems are their capabilities in terms of saving the lives of our patients, and the level of patient-friendly features.

Our efforts are focused on acquiring the maximum amount of clinical information from the minimum exposure dose.

— There are various approaches to performing cardiac examinations. However, for examination of coronary artery disease such as myocardial infarction, cardiac catheterization has been the standard method. In addition to causing patient discomfort, this procedure involves an element of risk. With a multislice CT system, we can now obtain images of a beating heart without inserting a needle into the artery. In particular, Aquilion™ 64, a multislice CT system with 64 detector rows, has had a great impact on the diagnostic imaging of patients with cardiovascular disease. It has shortened the patient breath-holding time to around 10 seconds. As a result, a patient examination can be completed within 15 minutes on average. And as such systems require far less contrast medium than conventional multislice CT systems, the procedure has quickly gained widespread clinical acceptance in recent years in the diagnosis of cardiovascular diseases.

— Our efforts are focused on acquiring the maximum amount of clinical information using the minimum exposure dose. This is because only qualified radiologists and radiological technologists like us are able to control the dose. We hope that all manufacturers who develop CT scanners will focus on reducing the exposure dose through their technologies. We believe that Toshiba's efforts to achieve this meet our expectations.

CORE64* is a significant study of cardiac CT examinations.

— "Is multislice CT really useful in the diagnosis of coronary artery disease?" In order to answer this question from clinicians, the clinical value of multislice CT in this respect must be demonstrated. CORE64, a multicenter joint clinical study in which I participated, evaluated the usefulness of multislice CT. Leading medical institutions from around the world participated, acquiring and analyzing CT data and cardiac catheterization data from more than 400 people for up to three years. The most difficult thing was to standardize

scanning parameters. Since this was an international study, one problem was that the CT examination environment differs from one country to another. As many patients in North and South America are larger, scanning parameters differ from those in Asia (Japan). Meanwhile, Europe has strict standards concerning exposure doses. Although we struggled to create standardized scanning parameters, we were able to acquire data for various ethnic groups from different parts of the world. I feel that this clinical study has been very meaningful and has yielded highly reliable information.

— Compared to other CT diagnostic imaging techniques, coronary CT examinations require particularly high resolution to obtain images of a beating heart. Because of these requirements, the heart is the most difficult anatomical region for CT scanners to image. In the CORE64 study, we were able to evaluate not just the diagnostic capabilities of the 64-slice CT system in coronary CT examinations, but also its technology and performance. In this respect, I believe that this project has been extremely significant.

* CORE64: CORonary Evaluation of 64-slice CT

We would like to communicate closely with Toshiba to foster the young physicians who will be the providers of future medical care.

— Since it is our duty to save the lives of patients, our criteria for choosing the best CT systems are their capabilities for saving the lives of patients, and the level of patient-friendly features. In this respect, Toshiba CT systems feature excellent reliability and outstanding ease of use. Toshiba is bringing the clinical value found in its high-end CT scanners into its entire range. In Japan, the number of hospitals employing radiologists is still low, and the techniques used by radiological technologists vary depending on their experience. So I believe that this ease of operation, which allows everyone to perform high-level techniques, will have great social significance.

— It is very important that physicians and engineers closely communicate with each other. There are issues that engineers don't notice until they visit medical sites, and things that can be solved through communication with physicians. Engineers say that they are learning a lot from physicians, but we physicians are also learning a lot from the engineers. We hope that Toshiba will not only develop CT systems that people can rely on when they become ill, but also help us to foster the young Japanese physicians who will be the future of medical care.

Dr. Kunihiro Yoshioka, Assistant Professor
Cardiovascular Medical Center, Iwate Medical University Hospital

In order to meet the demands of medical care sites, Toshiba CT systems are constantly undergoing improvement. Imaging a wider region with better resolution and at higher speeds – Our CT systems, which boast shorter scan times and higher resolution images, have created new clinical value, and are expected to play an important role in many fields

It is very important to offer the technologies needed by medical care sites in a timely manner.

— Our relationship with Dr. Yoshioka goes back to the time when we developed Aquilion™ 16. He always offers comments from the viewpoint of a cardiologist, helping us to develop and improve our technologies. Our variable pitch helical scan system is one such example. Cardiologists sometimes require a wide-range scan from the heart to the abdominal aorta. If the aorta is scanned using settings for the heart, for which high resolution is required, exposure dose is increased unnecessarily. Based on suggestions from Dr. Yoshioka, we developed technology to adjust the couch movement speed according to the region of interest.

With this technology, all the necessary regions can be scanned with a single injection of contrast medium, resulting in a considerably reduced exposure dose. Dr. Yoshioka also offered various ideas about scan parameters and scan methods for effective cardiac diagnosis, as well as a rich amount of clinical data. This advice and data was very helpful to us during our development of Aquilion ONE™.

— It is very important to reflect physicians' ideas through the high clinical value of a product, and to release the product in a timely manner. As medical technologies must undergo constant improvement, we hold discussions with physicians in an effort to develop new technologies. Aquilion ONE enjoys the reputation of being an innovative CT system, and expectations are very high. We are planning to add more application software so that the system will be able to provide the highest clinical value. In addition, technologies with high clinical value whose usefulness has been verified in Aquilion ONE and Aquilion 64 have been introduced throughout the range. We are very happy that these technologies can be used in small medical institutions around the world. While the engineers' efforts end at the completion of the development period, the equipment delivered to the customer continues to operate for five to ten years after installation. For the patients and the medical personnel who operate the equipment, we will continue focusing our efforts on developing even better CT systems.

Toshiyuki Shinno
CT Systems Division, Toshiba Medical Systems Corporation



History of Toshiba CT systems

- 1978** **First generation**
Japan's first CT system for brain imaging was developed and introduced. As this scanner shifted horizontally after each rotation and contained only a single detector, it took considerable time to complete the scanning process.
- 1990** **Second generation**
The world's first helical CT system*1 was introduced. Rapid, continuous single-slice scanning enabled imaging of a wider region within a short time. This system had dozens of detectors to reduce scan time.
- 1999** **Third generation**
4-slice CT system: The 4-slice CT system with the world's smallest slice thickness of 0.5 mm² was introduced. This system enabled scanning of moving organs such as the heart and lung.
16-slice CT system: The 16-slice CT system with the world's smallest slice thickness of 0.5 mm was introduced.
- 2002**
64-slice CT system: The world's first 64-slice CT system with a slice thickness of 0.5 mm was introduced. This system scans the heart within 10 seconds.
- 2004**
- 2007** **New generation/Area-detector CT**
Aquilion ONE, a 320-slice area-detector CT system, was introduced (scan range: 160 mm). This CT system, which scans the whole brain or heart in a single rotation (0.35 seconds), has opened up new possibilities for CT, from morphological diagnosis to dynamic functional diagnosis.

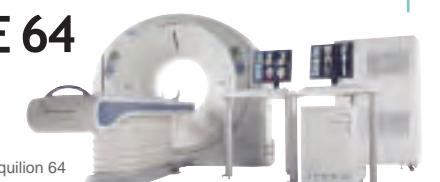
● Realization of small slice thickness and an increased number of detector rows have shortened the scan time and improved image precision. The shorter scan time and lower exposure dose have reduced risk and patient discomfort.

*1. Helical CT: The X-ray tube moves along a helical path to scan the patient. Rapid continuous scanning enables a wider region to be scanned within a short time.
*2. Multislice CT: A higher number of CT detector rows allows more slices to be acquired in a single rotation, and faster acquisition of images. Smaller slice thicknesses enable clearer images.

Presentation of CORE64 research results, long awaited around the world

The findings of CORE64, the international multicenter clinical study for cardiac CT, which began in November 2004, were presented from November 4th to 7th, 2007. Nine leading medical institutions from seven countries participated in the study, and performed comparative evaluation of coronary CT examinations using the multislice CT system Aquilion 64 and conventional coronary angiography using a catheter. The results demonstrated that coronary CT, which has a lower impact on the patient and a lower exposure dose, has very strong potential as a replacement for cardiac catheterization. It is expected that patient-friendly coronary CT will be introduced in many medical institutions in the future.

CORE 64



64-row multislice CT system Aquilion 64

Social report

What we can do for society and the people through medical care

As a company that aims to contribute to society through medical care, we place great importance on communication with all our stakeholders and practice honest, transparent management.

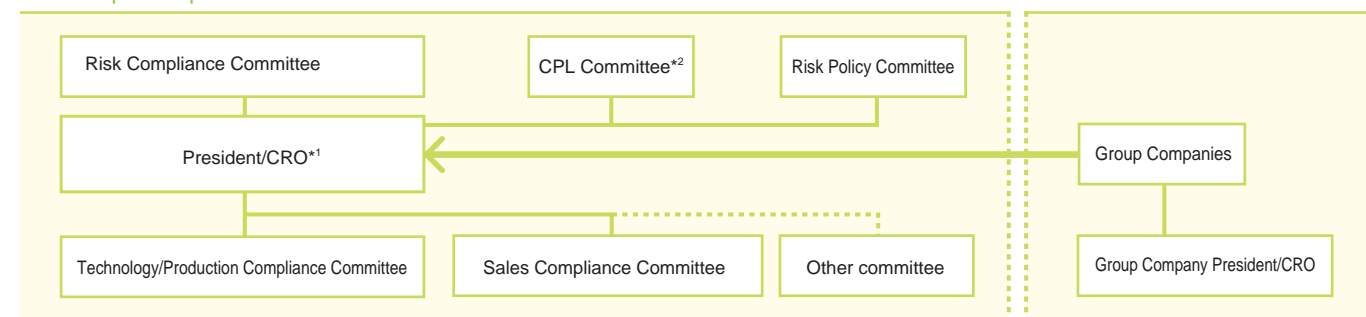
Our risk compliance concept and system

We established a risk compliance promotion system and have been attempting to fully apply the Toshiba Medical Systems Group Standards of Conduct throughout the group and to promote risk management policies. However, in fiscal 2007, the Japan Fair Trade Commission issued a cease and desist order and imposed an administrative surcharge in relation to our collusive bidding on medical X-ray equipment. To prevent such problems in the future, we will make further efforts to implement the Group Standards of Conduct and risk management policies, aiming for more honest, transparent management.

Cultivation of compliance awareness in all employees

In order to cultivate compliance awareness, we provide various types of compliance training, including level-specific training for new and management-level employees, and compliance training concerning individual laws. As for the Toshiba Medical Systems Group Standards of Conduct, we continued to provide training in fiscal 2007 for all employees using an e-Learning system.

Risk compliance promotion structure



*1. CRO: Chief Risk Compliance Management Officer
*2. CPL: Contractual Liability and Product Liability

Establishing various internal reporting systems for more transparency

We opened "Risk Hotline", an internal reporting system that enables employees to report important risk information directly to the Risk Management Department. We also established a contact link with external attorneys to prevent compliance deviations. In May 2007, we set up "Clean Partner Line", a reporting system for our business partners, which enables them to report information directly to the Risk Management Department.

Thorough information control with a strict information security system

We have been appropriately managing our customers' personal information based on the "Toshiba Medical Systems Privacy Policy". We have also promoted improved awareness among all employees and implemented company rules based on the information security system we introduced in 2006. We have been making efforts to protect company information, including technical and sales information and our customers' personal information.

Toshiba Medical Systems Privacy Policy

Our leading-edge medical technologies are born from the voices of the patients.

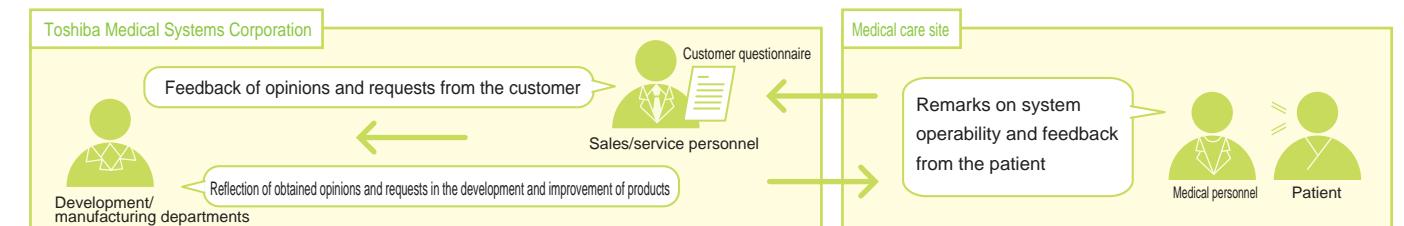
With "development of technologies that are truly useful for medical care" as a basic principle, our mission is to provide products, systems and services that reflect the voices of people involved in medical care.

Development and improvement of products based on the voices of customers

Based on the "CS Promotion Policy" of Toshiba Group*, we have been striving to develop products, systems, and services which reflect the voices of customers. For example, our sales and service personnel who meet face-to-face with customers report customer opinions and requests to the relevant departments. By utilizing these opinions and requests for development and improvement of products and services, we can develop products with higher quality and better performance.

*CS: Customer Satisfaction

Toshiba Group Customer Satisfaction Policy



Performing customer questionnaires

To obtain opinions and requests from all customers, including those who do not give opinions directly to our sales or service personnel, we carry out customer questionnaires after the introduction of our products. We established a system to share all these opinions so that they can be utilized by employees in the development and improvement of products as well as the improvement of sales and service processes. Cases in which customer satisfaction is greatly increased are recognized as "CS Best Practice", and shared by employees to help improve CS awareness.

Strict quality control system and training to provide safe and comfortable products

Based on Toshiba Group's "Quality Control Policy" and "Basic Policy on Product Safety", we have been working to control product quality, ensure product safety, and actively provide information to our customers. In June 2007, we appointed a Chief Quality Executive and further clarified quality responsibility in all our business processes, including product development, production and disposal. In order to maintain high quality, we also provide quality training to all employees.

TOPICS

"Strict quality checking at Japan's largest EMC test facility"

For strict control of product safety, we established an electromagnetic noise testing facility at our headquarters in 1992. We thoroughly check electromagnetic effects on the human body and possible effects from other devices to achieve EMC* at a higher level. As EMC tests can be performed within the headquarters, various types of tests can be performed, including quality testing for new products in the development stage, and testing of each part.

*EMC: Electro Magnetic Compatibility



Large test facility where electromagnetic noise at a distance up to 10 meters from the equipment can be measured

Universal design that is comfortable for everyone

A human-oriented design process is applied to our products. This emphasizes the best design from the viewpoint of users. For example, short scan times and non-threatening design ease patient anxiety and stress. On the other hand, enhancing equipment accessibility and operability reduces stress on the operator (physicians/technologists). We develop our products from the viewpoint of these people.

TOPICS

"Toshiba's X-ray mammography system received a Japanese Good Design Gold Award in 2007"

Toshiba's new X-ray mammography system, developed mainly by female staff, received a Good Design Gold Award in 2007. Designed to provide comfortable mammography screening for more women, the system employs a compression system that minimizes pain, and a design adapted to the body characteristics of Japanese women. For visual and physical comfort, the system incorporates a pearl-white color scheme, smooth contours, and soft materials. The system also has a unique layout with specially shaped switches for smooth operation.



X-ray mammography system

We are working across national boundaries to promote medical technologies around the world.

Every year, we actively hold seminars and participate in exhibitions and academic meetings to promote understanding of rapidly developing medical technologies for diagnostic imaging and medical systems.

Sharing knowledge by presenting new technologies to the world

We endeavor to promote knowledge and ensure proper usage of medical technologies by holding medical and practical seminars presented by medical specialists in cooperation with domestic and international medical societies. We have also participated in world technical exhibitions held during academic meetings, such as the Radiological Society of North America (RSNA), Japan Radiology Congress (JRC), and European Congress of Radiology (ECR), and presented our products as well as the findings of our joint research and other studies. Our own prize-giving event "The Best Image", held for the 15th time in 2007, has been widely recognized as contributing to the promotion and progress of imaging techniques.



RSNA
Over 60,000 people from more than 100 countries participated in the world's largest medical system exhibition.

The Best Image 2007
Held at Roppongi Academyhills (Tokyo) on December 15th, 2007

Providing customers with training in the use of new products

Our international training program, "Toshiba CT Training Academy", which began in 2005, was opened to Japan-based radiological technologists in March 2008. This program provides technologists with efficient, high-level training before they begin using a new system, so that they can smoothly operate the system to perform CT examinations. The lectures are given by our CT application specialists, who provide information based on their own experiences as well as patient-centered hands-on training. This program has received good reviews from participants, and also provided an opportunity for customers to form a network among themselves. There are high expectations for the future of this activity.



CT training
At the training center in our headquarters

We support our customers, anytime and anywhere, to ensure a comfortable healthcare environment.

We support our customers with an extensive network and enhanced services so that all Toshiba Medical Systems Group customers can provide medical care in a comfortable environment.



Extensive, worldwide service network

Toshiba Medical Systems Group has an extensive service network covering more than 120 countries worldwide. Our customer engineers provide various services and community-based support so that customers can provide medical care in a comfortable environment. In customer satisfaction, we have received high scores from rating agencies in the USA* and Japan.

*In a survey conducted by American survey company MD Buyline from October to December 2007, Toshiba's CT, X-ray angiography, MR, and other systems were ranked No. 1 in customer satisfaction with regard to installation, service response time, service quality, etc.



(As of March 31, 2008)

Providing advanced services aimed at increased uptime

Our remote maintenance system InnerVision™ Plus uses a high-speed data communication line to allow early detection of problems as well as rapid analysis and correction of failures in the installed system. We also have a remote support system to maximize the performance of increasingly advanced equipment. This system allows our application specialist to assist the user appropriately by viewing the same screen that is displayed by the installed system.

Crossing borders in our worldwide maintenance activities

Our medical systems are used by customers around the world. Maintenance is normally provided by local staff so that the customer can always work in an optimized environment. But if necessary, Japanese customer engineers are dispatched overseas to work together with local staffs to solve problems. In various parts of the world, including South America, the Middle East, Africa, Asia, and Australia, our customer engineers work across national and environmental boundaries.



A supervisor gives installation training to service engineers.

TOPICS

"Innovative CT system Aquilion ONE™ generates worldwide excitement"

We presented Aquilion ONE, the world's first area-detector CT system, at RSNA, which was held from November 25th to 29th, 2007.

Aquilion ONE allows scanning over a wide region up to 160 mm, and can image the whole brain or heart in a single rotation (about 0.35 seconds). This outstanding feature has greatly reduced the scan time, exposure dose (1/4 of the conventional dose), and amount of contrast medium used, and as a result patient stress and discomfort are minimized. In addition, apart from conventional brain and heart scanning, precise imaging of moving organs and dynamic functional diagnosis by scanning along the temporal axis are expected to create new clinical value: applications, such as chest scanning, orthopedic surgery, pediatric scanning, and emergency scanning.

Aquilion ONE was launched after ten years of collaborative research and development by Toshiba engineers and medical personnel in clinical departments.



Aquilion ONE

VOICE Voice of a customer

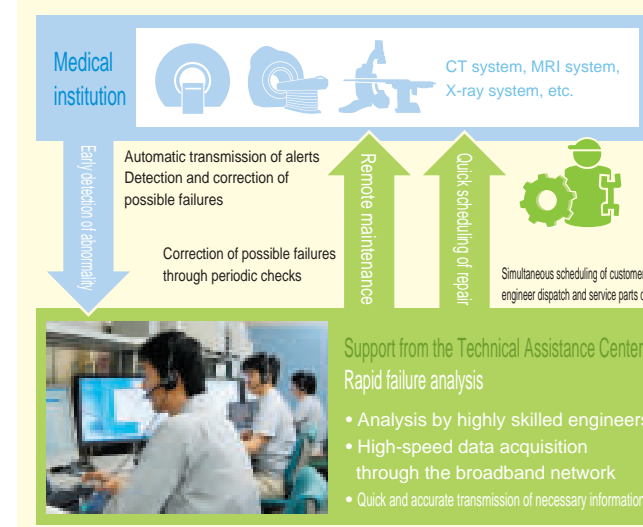
"Using a Toshiba X-ray mammography system, we won a Digital Mammography Contest Gold Award"

At the 17th Meeting of the Japanese Association of Breast Cancer Screening, held on November 21st and 22nd, 2007, we received a Digital Mammography Contest Gold Award.

This contest involves comprehensive evaluation of various factors, including image quality, positioning technique, and proper display of radiographic information. Our image received the highest score for image quality. The Toshiba X-ray mammography system Pe.ru.ru™, which is designed to help the operator, enables easy and accurate positioning. In addition to their superb technological capabilities, Toshiba has a system to support users, including thorough application training by an applications specialist after introduction of a new product. We believe that their sincere efforts to support users brought us this award. We will be working with Toshiba to contribute to increasing the number of Japanese women who receive breast cancer screening.



Naoko Shimazaki
Omiya City Clinic Radiological technologist



Support and networks to serve regional healthcare

Meeting the challenge of changing times, we provide comprehensive support for our customers, from the proposal of medical information systems to the construction of healthcare IT systems and maintenance. To prepare for customer support, we have rapidly introduced filmless diagnostic imaging and electronic reporting systems that have been promoted as national policy. With the aim for providing patient-centered care, we are working not just on systemization within hospitals but also on the construction of regional medical networks, including the reciprocal exchange of medical information between hospitals and clinics.

VOICE Voice of a service engineer

"I want to do my best to serve our customers"

I have been working as an MRI and CT customer engineer for 20 years. My customers and I always share the same objective of contributing to healthcare and protecting the health and lives of people. After the Chuetsu Earthquake in Niigata Prefecture, Japan on October 23rd, 2004, we worked hard to restore our systems. However, seeing how hard the local hospital staff worked to restore their hospital reinforced my motivation to do my best for them.

Through our daily activities, we would like to provide technologies and services that are truly needed by customers so that they can work comfortably and with a sense of satisfaction.

Hiroshi Morikawa
Saitama Service Center
Toshiba Medical Systems Corporation



We provide a comfortable working environment and challenging jobs for our employees.

In order for a trusted company to develop excellent products, the most important thing is employee satisfaction.

We are trying to create a safe and comfortable working environment for all employees.

Promoting respect for human rights through educational activities

Toshiba Group's basic policies include respecting basic human rights, eliminating discriminatory treatment, and observing laws and regulations. In the "Toshiba Group Standards of Conduct", it is specified that diversity of individual values, personality, and privacy should be respected, and that discriminatory behavior concerning race, religion, sex, nationality, mental or physical disability, age, and sexual orientation, as well as behavior detrimental to human rights, such as violence, sexual harassment and power harassment, should be eliminated. Through educational activities, we are promoting awareness of and respect for human rights.

Promotion of work-style innovation and respect for diversity

Toshiba Group promotes respect for the diverse values, personalities, and individuality of employees, provides a creative and efficient working environment, and aims to achieve a good work-life balance.

Promoting work-style innovation

An efficient and focused work style is the key to achieving a good work-life balance. We are promoting policies such as "work-style innovation". Efficient and focused work allows a refresh time, which can further improve the value added to individual employees. We believe that work-style innovation eventually leads to the development of functional skills for each employee.

Respecting diversity

In order to promote work-style innovation, it is necessary to create an organizational climate in which people can actively work together. We are endeavoring to create a climate in which people of different ages, academic backgrounds, sexes, disabilities, and nationalities can understand and respect each other, and communicate with care.

Number of regular employees and managers by sex <As of March 31st, 2008>

	Male	Female	Total
Regular employees	2,779	350	3,129
Manager	717	6	723
Others	2,062	344	2,406

※ Toshiba Medical Systems Corporation only

Encouraging employment of people with disabilities

As of March 31st, 2008, our employment staff with disabilities reached 2.0%, exceeding the legally required employment rate in Japan for people with disabilities (1.8%). Toshiba Medical Systems Group will maintain its commitment to employing people with disabilities and to further expanding the areas in which they can be more active.

Achieving a good work-life balance

To help employees balance work and family life, we are expanding our working systems to meet the varied family circumstances of our employees. In April 2005, in accordance with the Japanese Law for Measures to Support the Development of the Next Generation, we began promoting policies to create a working environment that encourages child care. In fiscal 2007, we established a reemployment system. In August 2007, we obtained a Next Generation Certification Mark (known as Kurumin) which is given to a company promoting policies to support child care.



Outline of working systems and number of participants <As of March 31st, 2008>

Name	Content	participants in			
		2005	2006	2007	
Child-care leave system	Applicable period: until the child is 3 years old, regardless of the working status of the spouse	Male	1	0	0
		Female	8	7	10
Family-care leave system	Applicable period: up to 365 days per family member in need of nursing care	Male	1	0	1
		Female	0	0	0
Reduced working hours system	Applicable period: until the child is in the 3rd grade (for child care); up to three years per family member in need of nursing care (for family care)	Male	0	0	0
		Female	5	8	9

※ Toshiba Medical Systems Corporation only

VOICE Voice of a foreign staff member

"I would like to be a bridge between Japan and overseas countries as a CT specialist"

Before joining Toshiba Medical Systems in 2003, I worked as CT technologist at a practice in Adelaide Australia. Now that I work closely with the CT development teams and that I provide international customer feedback and variety of support to our application development teams. In addition, I deliver marketing presentation in English, provide training for global application specialists and prepare materials to showcase our products. I have been given an opportunity to be individually creative in performing my job and therefore I enjoy the work very much.

As customer requirements differ from country to country, conveying international requirement to engineering team often causes clashes in opinions, but to reflect the international customer needs on products, I discuss with the engineering team without compromises. However I have experienced more positive feedback lately, as our engineering team thinks

more about customer needs on a global scale and delivers superior products.

Working in Japan is such a great experience and I call this country home. My Japanese level is still basic, and it is something I would like to improve in the near future.



Jeffrey Hall
CT Systems Division
Toshiba Medical Systems Corporation

Creating a working environment that reflects the voices of employees

As part of our efforts to listen to the voices of employees, we conduct the "Employee Survey (TEAM survey)". Employees' attitudes and their evaluation of company policies, workplace, and superiors are surveyed, as well as their attitudes concerning personnel evaluation and working conditions. The survey results for each workplace are disclosed, and a meeting is held in each department to review them. These results are used to improve communication in the workplace and formulate measures to energize the organization.

Creating a safe and comfortable workplace based on OHSAS18001*

Creation of a safe and comfortable workplace is the basis of business operation and an important business challenge. In February 2008, Toshiba Medical Systems Corporation Nasu Operations obtained OHSAS18001 certification*, the international standard for occupational health and safety management systems. By introducing this system, we will organize our safety management systems that have been implemented in various business locations, and will further strengthen and consolidate the safety infrastructure in all our offices.



*OHSAS: Occupational Health and Safety Assessment Series

Implementing policies to maintain and improve the health of employees

We implement various policies to maintain and improve the health of employees and their families, from employee health checks to preventive measures against adult diseases, and mental healthcare. In fiscal 2008, Specific Health Check-up and Specific Health Guidance were implemented as national policy in Japan. We always keep in mind that we should be ahead of the times in the promotion of health.

Building a healthy labor-management relationship

Toshiba Medical Systems has a stable relationship with Toshiba Medical Systems Union, an employee organization, holding periodic negotiations and discussions on the working conditions of employees. At the Central Labor-Management Council, held twice a year, we discuss a variety of topics, including management policies. Our overseas group companies also have negotiations with their labor unions or employee representatives based on the laws and regulations in each country.

Providing training systems to maximize the motivation and capabilities of each employee

To maximize the motivation and capabilities of each employee, we focus on placing the right people in the right jobs, and we assess business results fairly and impartially through communication between superiors and subordinates. We also provide a great variety of training systems and self-development fund systems that support individuals in shaping their careers, as well as those necessary for business. With these systems, we aim to nurture strong, motivated, proactive individuals. In fiscal 2007, we provided training using sign language for hearing-impaired employees.



Training using sign language

Promoting the fostering of internationally oriented human resources

Toshiba Medical Systems Group has many customer engineers and application specialists who are working for overseas group companies. We provide training and educational programs for these staff at our headquarters. Every year, many staff from around the world visit the headquarters to receive training in the latest service techniques and application software. To foster internationally oriented human resources, we are also promoting dispatch of Japanese staff to overseas group companies for internship.



Learning the latest techniques using the actual equipment

TOPICS

"Providing thorough training in new technologies for overseas staff when new products are introduced"

Ultrasound application training for regions covered by the International Sales Division (QT Training*) was held in Malaysia from August 29th to September 1st, 2007. Experienced, technically proficient application specialists were selected as qualified trainers representing the region, and intensive training was provided for the new technologies incorporated in new products. In cooperation with these qualified trainers, we will continue to provide useful training programs and promote further understanding of our products to boost sales.

*QT: Qualified Trainer



Each of us will contribute to society in the best way we can.

As well as working in the field of medicine, our local staff around the world, as members of a company that aims to contribute to society, are also involved in social and environmental activities.

Active participation in promoting breast cancer screening activities

In the last few years, the world has begun to recognize the importance of breast cancer screening. However, only 5% of women undergo mammography screening in Japan (compared with 70% in the USA), and more than 10,000 women lose their lives to breast cancer every year. Installation of mammography equipment and promotion of breast cancer screening are now considered national policy, and both are becoming more widespread in Japan. Toshiba Medical Systems has taken part in one such activity, the "Pink Ribbon Campaign", every year since 2003. Mammography equipment and diagnostic ultrasound systems used for breast cancer screening were exhibited and demonstrated at the Pink Ribbon Festival to highlight the importance of screening. To contribute to the promotion of breast cancer screening, we will continue to be involved in a variety of activities.



Left: Pink Ribbon Smile Walk in Kobe, Japan, October 26th, 2007. We used a campaign car to encourage participants to undergo mammography screening. Right: Pink Ribbon Campaign in Sendai, Japan, October 13th, 2007. This was the first time for us to participate in the Sendai event.

Providing comfort to hospital patients with an annual painting exhibition.

At a hospital in Chiba, Japan, the corridor leading to the hospice provides a non-stressful space for patients and their families, with paintings and other artworks exhibited every year. Toshiba Medical Systems has participated in this activity since 1993. In July 2007, it displayed works by its employees.



Exhibition of paintings by our employees

TOPICS

"With a metal mikoshi (miniature shrine) made by our employees, we collect money for donations."

Nasu Operations has a *mikoshi* that was made by employees with metalworking skills. It was created in 1989 to symbolize the achievement of higher technical goals, and as a means of praying for occupational health and safety at Toshiba Medical Systems. The *mikoshi* is paraded during the Yoichi Festival in Otawara City (the location of headquarters) and in the Nasu Operations Summer Festival.

As one of our social contribution activities, money thrown into the wooden box on the *mikoshi* by employees and factory-tour participants is donated every year to the Japan Fund for Breast Cancer of the Japan Cancer Society and the Fund for the Children of Victims of Fatal Traffic Accidents (run by the local newspaper *Shimotsuke Shimbun*).



Amounts donated in fiscal 2007

- Japan Fund for Breast Cancer: 50,000 yen
- Fund for the Children of Victims of Fatal Traffic Accidents: 41,868 yen

Conducting activities for the planting of 1.5 million trees

As a member of Toshiba Group, we have participated in Toshiba's 1.5 Million Tree-Planting Initiative since 2006, which aims to afforest or maintain a total of 1.5 million trees around the world by 2025. Our employees and their families took part in tree-planting activities at sites close to Nasu Headquarters such as Happogahara, Tochigi Prefecture, Japan, and at sites in China and other parts of Asia.



Left: Tree-planting activities in Happogahara, Tochigi Prefecture, Japan. Right: Participants in activities in Ashio were reminded of the historical background of this area.

Promoting volunteer activities across Japan

Our headquarters and branch offices are involved in a variety of volunteer activities and events to promote communication with the local community.



- 1 2 Nasu Operations: Together with local schoolchildren, our employees held an activity to collect acorn shells from the grounds of the Headquarters in Nasu. The shells are used by the children in handicrafts.
- 3 Nasu Operations, Tokyo Headquarters, and Regional Branch Offices: Our employees actively participated in local blood donation campaigns.
- 4 Tohoku Regional Office: Co-sponsored the Nebuta festival in Aomori. Staff also joined the Toshiba float in the parade.
- 5 Hokkaido Regional Office: Staff took part in the February snow-removal activity sponsored by the Sapporo Social Welfare Council.
- 6 Hokkaido Regional Office: Staff took part in the Ishikari-Shinko-Hama cleaning activity sponsored by the Seashore Cleaning Association in September.



Toshiba Canada, Ltd.

Toshiba Canada held a "Green Education Event". A total of 375 employees participated in a park-cleaning activity in the local community. To reduce the impact on the environment, employees also refrained from using cars to commute to work, using bicycles and buses instead, or established carpools.



Toshiba (Australia) Pty., Ltd.

All employees participated in "Bikes for Tykes", a training scheme in which team members cooperated to assemble bicycles. The bicycles were given to children in the local community.



Toshiba America Medical Systems, Inc.

Toshiba America Medical Systems has conducted fund-raising activities for underprivileged people in the local community for more than twenty years. The money raised by their charity auction was used to support children. (Above: A child receives a gift from Toshiba America Medical Systems. Right: A letter of thanks from the child)



Toshiba Medical do Brazil Ltda.

Toshiba Medical do Brazil held a campaign to collect clothes and donate them to underprivileged people, and 21 employees participated in this event as volunteers. The collected clothes were donated to hospitals and nursing homes.

Toshiba Medical do Brazil Ltda.

Toshiba Medical do Brazil has put together an organization to promote a recycling campaign. The collected resources were donated to welfare facilities to be reused.



We value our relationships with local communities.

In various parts of the world, our local staff are involved in a variety of activities to serve the local community.



Toshiba Medical Systems Europe B.V.

To commemorate the 25th anniversary of the company, Toshiba Medical Systems Europe made a donation to a medical institution in the Netherlands. The donated money was used to renovate the waiting room, which has now been renamed the "Toshiba Lounge", and is used as a stress-free space for patients.



Toshiba Dalian Co., Ltd.

A tree-planting activity was conducted under the auspices of the Environmental Protection Promotion Committee of Toshiba Dalian. About 80 people participated in this activity, including employees and their families.



Environmental Report

We pursue environmental innovation. Through our own efforts we can help to save the global environment.

Energy conservation, environmentally friendly products, and environmentally friendly business processes. By promoting environmental protection activities via these three approaches, we aim to enrich the life and health of patients and of the planet.



Toshiba Medical Systems Group Environmental Policy

Recognizing that the Earth is an irreplaceable asset, Toshiba Medical Systems Group strives to develop and provide "environment-conscious medical systems" in order to contribute to community and medical care services. This is the responsibility and commitment of Toshiba Medical Systems Group, which is expanding its business worldwide. Based on this philosophy, we promote environmental activities to the extent technically and economically feasible, in accordance with the Toshiba Commitment, Toshiba Group's Basic Policy for the Environment, and the Code of Conduct of Toshiba Medical Systems Group.

- 1. Continuous improvement in the performance of the environmental management system and of pollution control
- 2. Observation of environmental laws and regulations
- 3. Reduction of environmental impact by improving products and business processes
- 4. Active information disclosure and communication

Progress of our Environmental Protection Activities Chronological Summary

Year	Activity	Year	Activity
1975	Formed Pollution Control agreements with Otawara City and Yaita City.	2003	Received commendation for excellence in energy management in factories (Agency for Natural Resources and Energy Director General's Award).
1979	Began operations at Toshiba Nasu Works.		Received Tochigi Prefecture Pollution Prevention Excellence in Industry Award (Governor's Award).
1989	Inaugurated the Environmental Protection Group based on Toshiba's policies.		The newly established Toshiba Medical Systems Corporation formed Pollution Control Agreements with the cities of Otawara and Yaita.
1990	Internal environmental audits initiated by Toshiba, with first audit taking place at Nasu.	2004	Received Energy Management Achievement Award (Kanto Bureau of Economy, Trade, and Industry Director General's Award).
1992	Total abolition of specified chlorofluorocarbons.	2005	ISO 14001 certification renewal review conducted, and continuation of the certification is authorized.
1993	Total abolition of 1.1.1-trichloroethylene.		Received Energy Management Achievement Award (Agency for Natural Resources and Energy Director General's Award).
1996	Obtained certification for British Standard 7750 for environmental management.	2006	On-site review for environmental activities conducted at overseas group companies.
	Obtained ISO 14001 certification (environmental management systems standard).	2007	Received Eco-Products Award 2007 (Chairpersons Award, Eco-Products Awards Steering Committee).
1999	Received commendation for excellence in energy management in factories (Kanto Bureau of International Trade and Industry Director General's Award).		Conducted environmental audits at overseas group companies.
2001	Realization of zero waste emissions.		
2002	ISO 14001 certification renewal review conducted, and continuation of the certification is authorized. Received 3R* Promotion Council President's Award.		

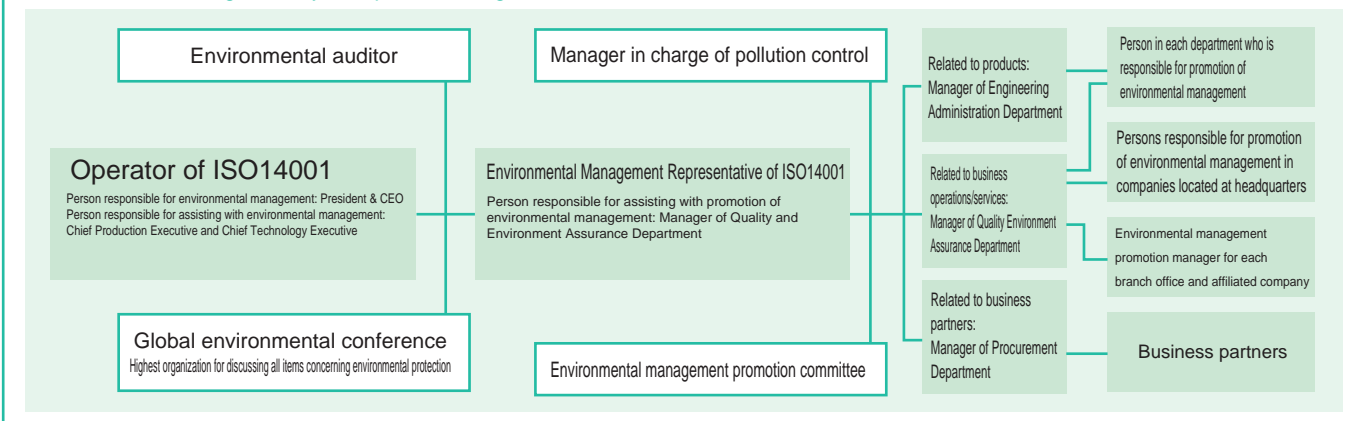
*3R:Reduce,Reuse,Recycle

Environmental Management Promotion System

Reinforcement and expansion of the environmental management promotion system

Toshiba Medical Systems Group obtained ISO14001 certification at its production base in March 1996. We established an internal environmental management promotion system, and are continuing with our environmental activities. In fiscal 2007, Toshiba Medical Supply, one of our group companies in Japan, obtained ISO14001 certification. To further strengthen environmental management, we will expand the scope of our activities to include regional/branch offices and group companies, and aim to obtain certification for the whole Toshiba Medical Systems Group. In addition, our regional/branch offices and group companies will establish a plan to conduct various environmental activities, including improvement of their environmental management promotion system, monitoring and management of waste processing, energy conservation, and introduction of hybrid cars.

Environmental management system promotion organization



Periodic environmental audits by external and internal organizations

In order to confirm that environmental protection activities are being implemented appropriately, three grades of environmental audit are regularly performed at Toshiba Medical Systems Group.

- 1 **Audit**
Audit by external organization based on ISO14001
- 2 **In-house environmental audit**
Audit by Toshiba based on its in-house environmental audit system (EASTER*)
- 3 **Internal environmental audit**
Self-audit based on Toshiba Medical Systems' environmental audit system.

* EASTER: Environmental Audit System in TOSHIBA on the basis of ECO Responsibility

Conducting environmental audits at overseas group companies

With the aim of strengthening environmental governance, we conducted environmental audits at overseas group companies from July 22nd to August 2nd, 2007. We will be working with local staff to solve problems and to establish an optimum environmental management system for each company.



Conducting audits at Toshiba America Medical Systems

Companies audited: Toshiba America Medical Systems, Toshiba Medical Systems Europe, and Toshiba Medical do Brazil.

TOPICS

"Environmental efforts at overseas group companies"

To save more energy, in fiscal 2006 Toshiba America Medical Systems installed people sensors for lighting at 194 locations in the company. In addition, their active efforts to improve the environment include a plan to introduce hybrid cars.



TOPICS

"The evaluation results of the environmental management audit were higher than those in the last fiscal year"

The environmental management audit was conducted by Toshiba on September 3rd, 2007. Although the evaluation results were higher than those in the previous fiscal year, we will continue to promote environmental activities aiming for higher results.

Audit results <5-point scale>

Field	Audit results
Environmental policies and systems	3.8
Compliance with laws and regulations, risk management	4.3
Business processes	4.3
Products and services	3.7
Information disclosure and communication	4.3

Evaluation results: 4.1 (3.7 in fiscal 2006)

Environmental management audit:
Environmental management of the whole Toshiba Medical Systems Group is audited.

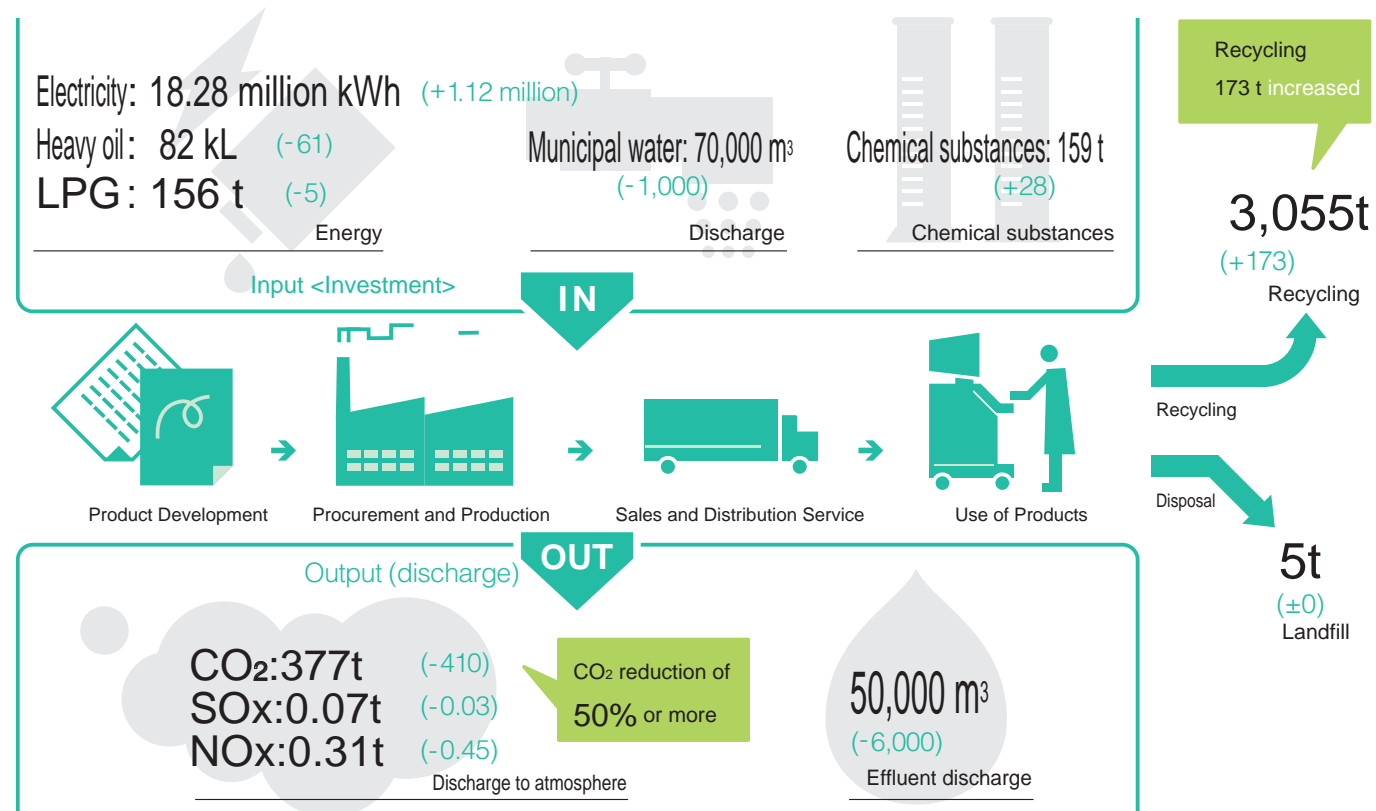
We "make" items to be "reused".

We are attempting to build a recycling-oriented society by creating a cycle of "make, use, return, reuse", and developing environmentally conscious products.

Energy is invested and discharged over the entire life cycle of a product.

Our aim is to reduce the environmental impact of all our business processes, including development, production, sales, service, and disposal, to prevention of global warming, effective use of resources, management of chemicals, etc. In fiscal 2007, although the amount of electricity we used increased, the amounts of other energies used, as well as exhaust gases and waste discharges, were considerably reduced.

Input and Output <Environmental impact flow diagram> Values in parentheses () indicate differences from fiscal 2006 results

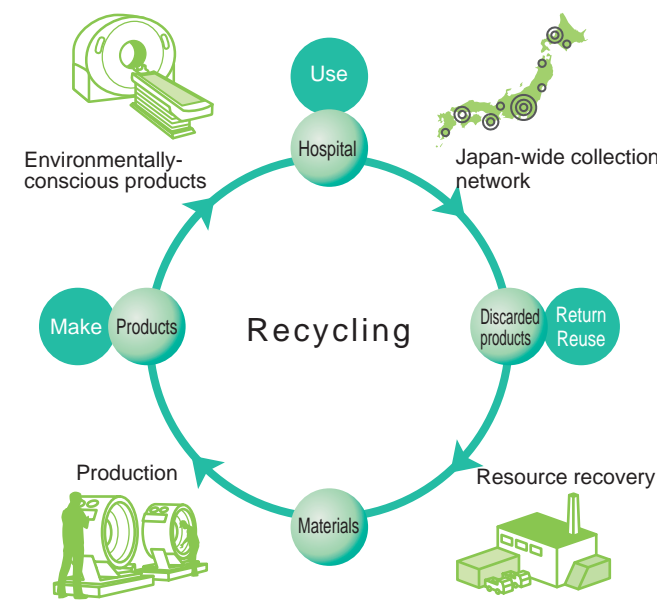


※ Totals by Nasu Operations, the production base for Toshiba Medical Systems. Each numerical value is an actual measurement. CO₂ is output from boilers, etc.

Maximizing resource recovery from products

"Medical Device Industry Vision", a policy guideline issued by the Japanese Ministry of Health, Labor and Welfare in 2003, emphasizes the recycling process for medical systems, from production to "maintenance and repair" and "disposal". We treat the entire process as one cycle, from the stage of "making" an item to the "reuse, return" stage, when it once again becomes a resource. This cycle is considered in all the Group's business processes and products. By March 2008, we had established 12 recycling locations across Japan. Toshiba Medical Systems reuses and recycles old medical systems collected from hospitals, and promotes the expansion of resource recovery and reduction of waste generation.

Outline of Medical Product Recycling



Reducing the use of certain hazardous substances through green procurement

As we are attempting to ensure product safety, we are also promoting total abolition of the use of specified chemical substances that are suspected to cause harm to the human body or to the environment, and reduction of the use of these substances in products. When Toshiba's "Rules on Implementation of Green Procurement" and "Green Procurement Guidelines" were thoroughly revised in November 2006, we reviewed our company rules and strengthened control over chemical substances used in products. We aim to achieve compliance with the EU's RoHS Directive* by March 2010 so that we will be prepared before it is applied to medical systems.

Hazardous substances subject to survey

Rank A	Substances whose procurement is prohibited (15 substances)
	Asbestos/ Certain azo dyes and azo pigments (forming specific amines)/ Cadmium, cadmium compounds/ Hexavalent chromium, hexavalent chromium compounds/ Lead, lead compounds/ Mercury, mercury compounds/ Ozone-depleting substances (CFCs, HCFCs, HBFCs, carbon tetrachloride, etc.)/ Polybrominated biphenyls (PBBs)/ Polybrominated diphenyl ethers (PBDEs)/ Polychlorinated biphenyls (PCBs)/ Polychlorinated naphthalenes (3 or more chlorine atoms)/ Radioactive material/ Some short chain chlorinated paraffins/ Tributyltin (TBT), triphenyltin (TPT)/ Tributyltin oxide (TBTO)
Rank B	Substances to be reduced (9 substances)
	Antimony, antimony compounds/ Arsenic, arsenic compounds/ Beryllium, beryllium compounds/ Bismuth, bismuth compounds/ Brominated flame retardants [excluding PBB (A08) and PBDE (A09)]/ Nickel (external use only)/ Certain phthalates/ Selenium, selenium compounds/ Polyvinyl chloride (PVC)

* RoHS Directive [Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment]: Directive issued by the EU. This prohibits the use of six specified substances (lead, mercury, cadmium, hexavalent chromium, brominated flame retardants [polybrominated biphenyls (PBBs)] and polybrominated diphenyl ethers (PBDEs)) in products marketed in the EU after July 2006.

Fourth Voluntary Environmental Plan/Targets and results

Based on the Toshiba Group's voluntary environmental plans, we have established and activated our "Voluntary Plan", aimed at reducing environmental impact. The table on the right shows the target values of the Toshiba Group's "Fourth Voluntary Environmental Plan" and Toshiba Medical Systems' "Environmental Results for Fiscal 2007".

Toshiba Voluntary Environmental Plans

The "First Voluntary Environmental Plan", a self-imposed environmental action plan, was established by the Toshiba Group in fiscal 1993. The action plan was continued and further expanded to include a second and a third plan, and the "Fourth Voluntary Environmental Plan" was started in fiscal 2005. The plan considers prevention of global warming, management of chemical substances, and effective use of resources in all processes. In November 2007, the Toshiba Group changed its goal to "Environmental Vision 2050", and expanded the "Fourth Voluntary Environmental Plan".

Item		Target for fiscal 2007	Achieved value	Evaluation	Target for fiscal 2008
Improvement of product eco-efficiency	Provision of environmentally conscious products	Over 40% of sales for each modality	45%	(A)	Over 45% of sales for each modality
	Total abolition of the use of 15 specified substances in products	Percentage of EU-oriented products compliant with the RoHS Directive: 20%	Percentage of EU-oriented products compliant with the RoHS Directive: 20%	(A)	Establishment of a system to realize total abolition of 15 specified substances in products
Prevention of global warming	Reduction of energy-originated CO ₂ emission per production unit	Reduction of 1% per year (Reduction of 45% at the production base in Japan compared to fiscal 1990)	Reduction of 2% compared to fiscal 2006 (reduction of 46% compared to fiscal 1990) Monitoring of CO ₂ emissions at non-production bases	(A)	Reduction of 1% per year (reduction of 48% compared to fiscal 1990) Continuous monitoring of CO ₂ emissions at non-production bases
	Reduction of logistics-originated CO ₂ emission per production unit (for logistics in Japan)	Introduction of more than 20 five-ton containers to promote modal shift	10 containers used	(C)	Application of more marine containers and ferries
	Introduction of more than 45 low-emission hybrid cars	Introduction of 57 cars in total (23 cars introduced in fiscal 2007)	(A)	Introduction of 64 cars in total (7 cars to be introduced in fiscal 2008)	
Innovation of business processes	Reduction of the total amount of waste generated per production unit	Reduction of 1% per year (reduction of 26% compared to fiscal 2000)	Reduction of 2% compared to fiscal 2006 (reduction of 28% compared to fiscal 2000)	(A)	Reduction of 1% compared to fiscal 2007 (reduction of 29% compared to fiscal 2000)
	Effective use of resources	Zero emission of waste	Below 0.2% at the production base in Japan	(A)	Below 0.2%Continuous monitoring of waste emissions at non-production bases
	Improving the recycling rate of used products	Recycling rate of over 86% in Japan	86.3%	(A)	Recycling rate of over 87% in Japan
Management of chemical substances	Reduction of the total amount of chemicals released into the atmosphere and waters	Monitoring of the total amount of chemicals released	3.6t	(A)	Monitoring of the total amount of chemicals released. Promotion of operational management focused on chemical substance handling management.

Environmental Vision 2050

Search

Evaluation standard (A): Achieved (B): Achievement rate above 80% (C): Achievement rate below 80%

*A different CO₂ conversion factor is used for fiscal 2007.

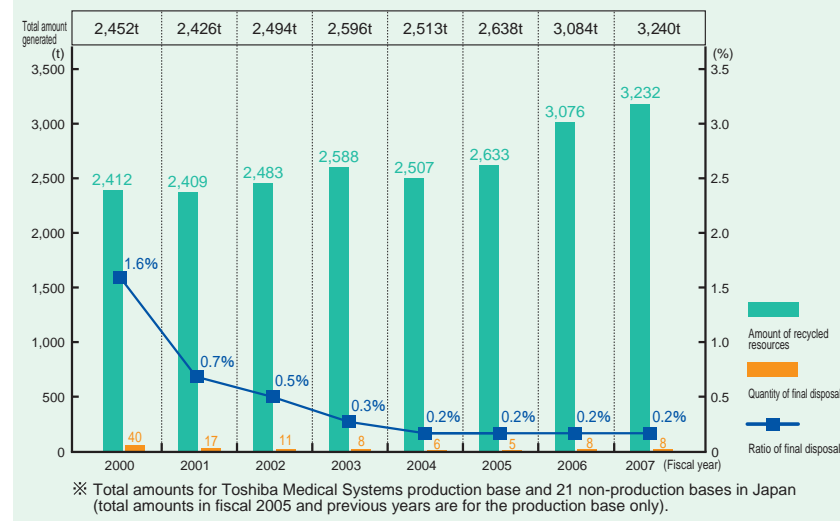
We are encouraging recycling and making every effort to further reduce waste generation.

For effective use of limited resources, as well as the production base, each non-production base and all employees are making efforts to reduce waste generation in all processes.

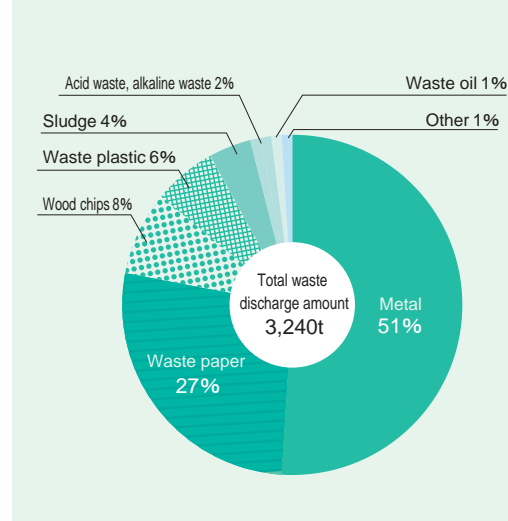
Reducing waste generation and increasing the amount recycled

With regard to the total amount of waste generated, based on the Fourth Voluntary Environmental Plan, we set a target of 20% reduction in load per production unit (compared with fiscal 2000) and a ratio of final disposal of 0.5% by fiscal 2010. In fiscal 2007, we had already achieved a 28% reduction in load per production unit, and reached the target for a ratio of final disposal by achieving 0.2%. By strengthening cooperation among the relevant departments, we will promote reuse and recycling, and strive for further reductions in waste generation.

DATA Trends in Toshiba Medical Systems' total waste discharge amount



DATA Breakdown of total waste discharge amount in fiscal 2007



Promoting improvements in the amount of chemical substances discharged

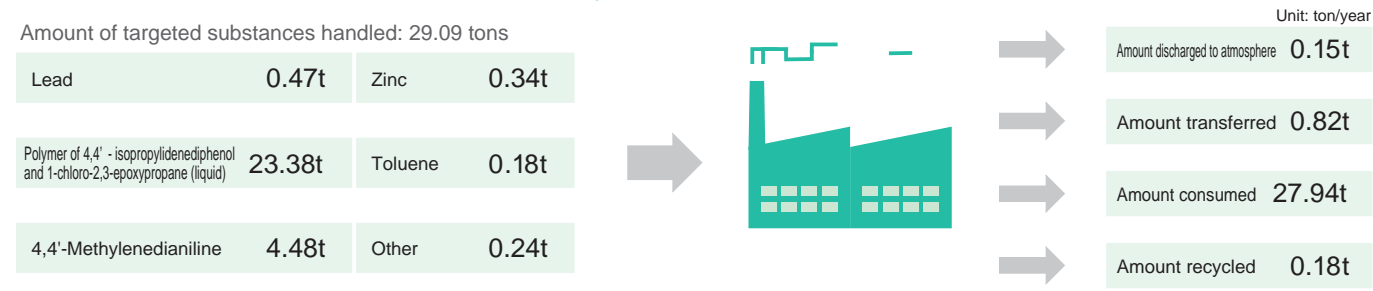
The amount of substances subject to PRTR Law handled by Toshiba Medical Systems Group in fiscal 2007 is shown below. Two substances exceeded the level (1 t/year) set by the law, and were duly reported. Although the amount of substances subject to the Fourth Voluntary Environmental Plan is increasing in proportion to the level of production, we will make further efforts to reduce the discharge of these substances.

*PRTR [Pollutant Release Transfer Register]: Law on monitoring the discharge of specified chemical substances to the environment and promoting improvements in discharge management.

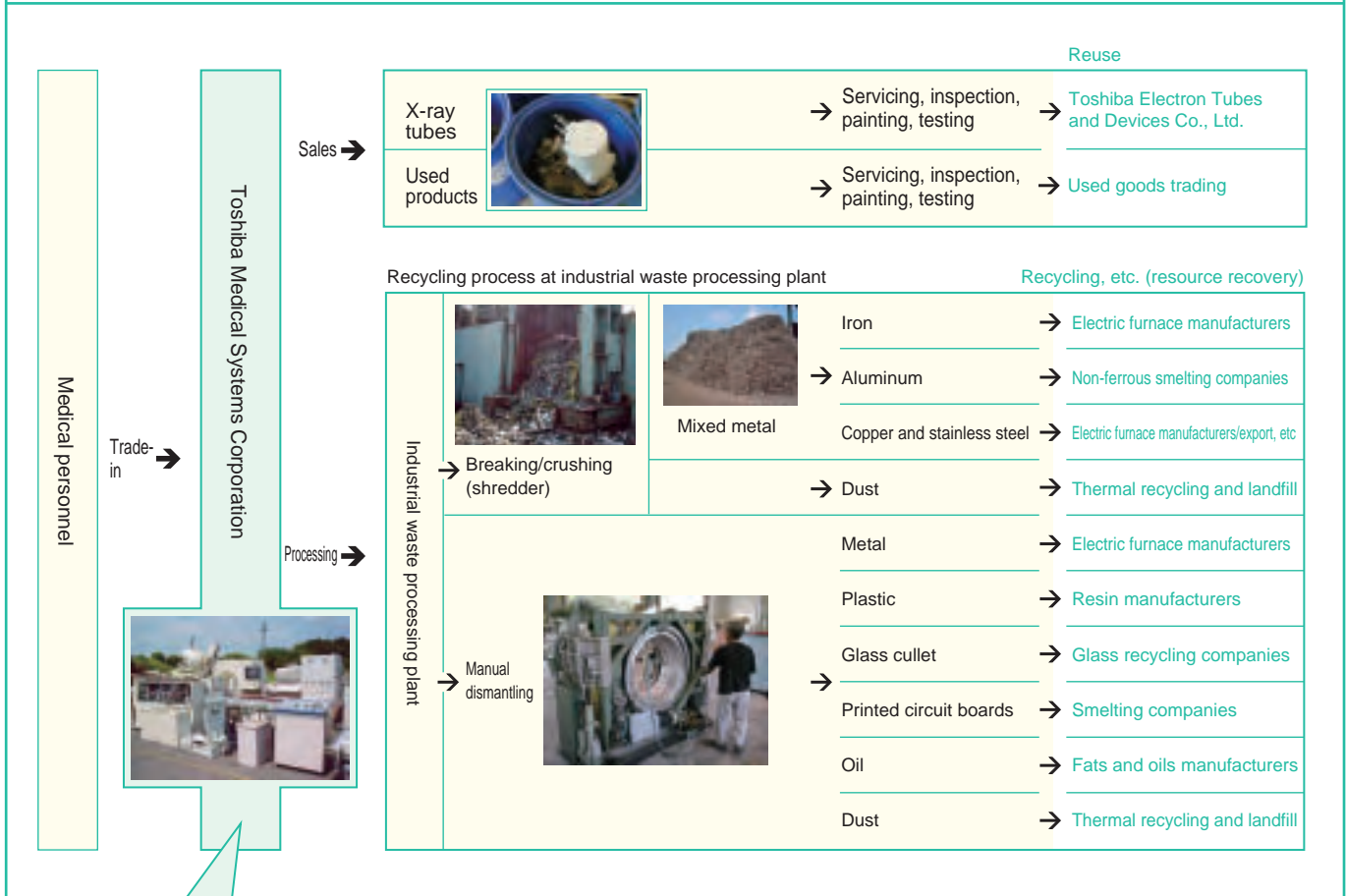
DATA Trends in the discharge of substances subject to the Fourth Voluntary Environmental Plan



DATA Fiscal 2007 Release and Transfer Amounts for Chemical Substances Subject to PRTR Law



Examples of recycling used products



Efforts to promote recycling at the production base

In order to promote recycling and reuse of waste generated at the production base, an indoor waste collection site was established at Nasu Operations, where employees classify waste into more than 50 items by hand. We also established a system to guide waste classification so that employees can find the right classification for each waste item.



1 Separating used products by hand. Fine sorting maximizes reuse and recycling of resources.
2 Recycling center at Nasu Operations. There are three recycling centers for different items to be recycled.

Major efforts to promote reuse and recycling in fiscal 2007

- Mill ends of glass epoxy resin were fully recycled to make paving, which reduced the annual quantity of final disposal by 1 ton (Photograph: 1)
- Reusable wood pallets were used to procure products. We also promoted reduction of packaging materials such as cardboard and cushioning materials, and reduced annual waste discharge by 10 tons (Photograph: 2)



Energy conservation is Earth-friendly and patient-friendly.

We are promoting further reduction of environmental impact by developing environmentally friendly products with improved environmental efficiency and diagnostic performance, which is both Earth- and people-friendly.

Reducing the amount of energy consumed during the production and use of products

We are working to achieve compliance with product-related environmental laws and regulations in each country and region, such as RoHS and REACH, the Chemical Substances Control Law of Japan, and international standards such as IEC60601-1-9*. We also endeavor to provide medical systems with excellent environmental design and diagnostic performance by developing products from the standpoint of medical personnel and patients. *International standards for environmentally-conscious design

Toshiba Factor T Search

Magnetic Resonance Imaging systems

Power consumption — 35% cut
Resources — 16% cut
CO₂ — 979.2 kg/year cut
(Results compared with Year 2001 models)



EXCELART Vantage™

Diagnostic Ultrasound systems

Power consumption — 30% cut
Resources — 10% cut
CO₂ — 91.3 kg/year cut
(Results compared with Year 2001 models)



Artida™

X-ray Computed Tomography systems

Power consumption — 20% cut
Resources — 20% cut
CO₂ — 501.2 kg/year cut
(Results compared with Year 2001 models)



Aquilion™ 64

Diagnostic Digital X-ray TV systems

Power consumption — 20% cut
Resources — 10% cut
(Results compared with Year 2001 models)



Winscope™

Clinical Laboratory systems

Resources — 15% cut
(Results compared with Year 1997 models)



TBA™c16000

TOPICS

"Toshiba X-ray CT system Aquilion 64 received two awards for its environmental design"

At Eco-Products 2007, the largest environmental exhibition in Japan, held in December 2007, our 64-slice CT system Aquilion 64 received a Chairperson's Award from the Eco-Products Awards Steering Committee, a first for a medical system. Aquilion 64 uses far less energy and fewer resources than conventional CT systems*, and significantly reduces the exposure dose. These features alleviate the impact both on the human body and the environment, and were highly evaluated. Aquilion 64 also won an Outstanding Prize in the Toshiba Group Environmental Awards.

* Results compared with Year 2001 models



TOPICS

"Toshiba's new CT system Aquilion ONE features a hybrid function to reduce its environmental impact"

Toshiba's new CT system Aquilion ONE, introduced in November 2007, is able to scan whole organs in a single rotation (0.35 seconds), realizing considerable energy savings and reducing the exposure dose. It also incorporates an innovative system to feed back the rotational energy generated during scanning to the power source, contributing to further energy conservation.



The atmosphere is invisible. That's why we have to take responsibility for protecting it from damage.

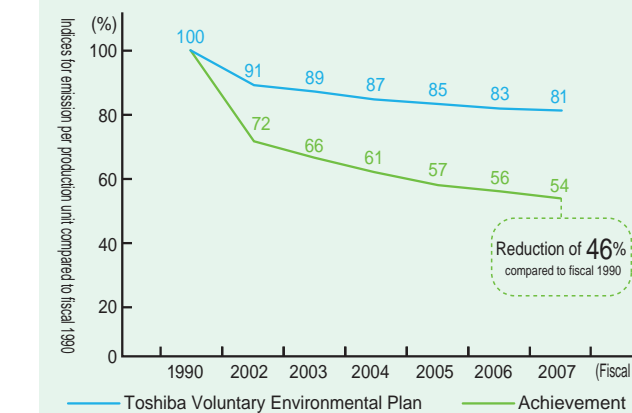
We are fully aware that we emit CO₂, a source of global warming, and are making daily efforts to reduce our emissions.

Reducing CO₂ and other greenhouse gas emissions

In order to reduce emissions of CO₂, a greenhouse gas that is having a major impact on global warming, we have adopted the target of a 1% annual reduction in CO₂ emissions per production unit, and are making various efforts to achieve that goal. For example, we reduced emissions by introducing efficient power machinery and air conditioners, and expanding modal shift. We are also attempting to reduce other greenhouse gases.

DATA Trends in energy-originated CO₂ emission per production unit

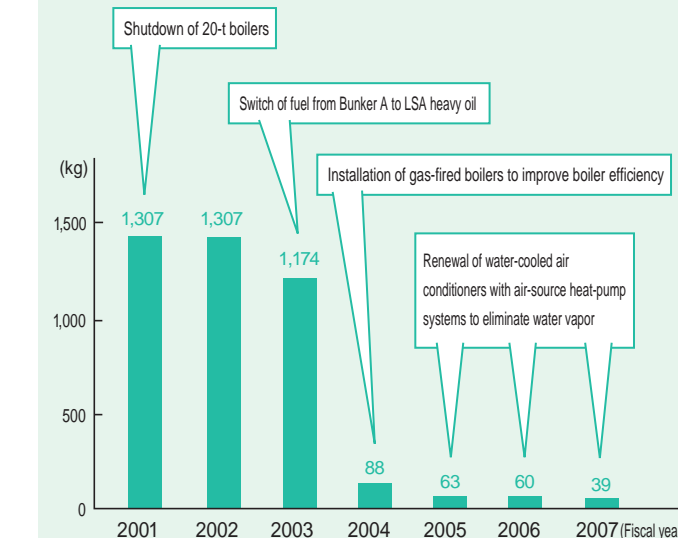
1) We adopted the respective CO₂ emission factors for electrical power, heavy oil A, and LPG (liquid petroleum gas).
2) Indices compared to fiscal 1990 are derived from the ratio of CO₂ emission to production, taking fiscal 1990 as 100.



Substantial reduction of exhaust gas

To preserve the atmosphere, we are actively promoting reductions in the amount of sulfur oxide discharged by introducing efficient facilities and switching fuel. In fiscal 2007, we further reduced SO_x emissions.

DATA Trends in SO_x discharge amount



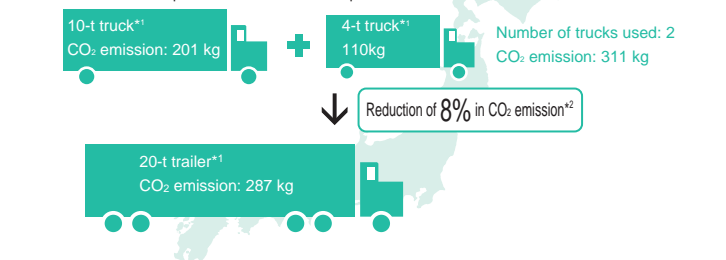
Improving efficiency in product distribution to reduce CO₂ emissions

We are making efforts to reduce CO₂ emissions during product distribution, by expanding modal shift, improving load efficiency, and introducing low-emission vehicles. In fiscal 2007, we actively promoted modal shift not only in Japan but also in international transportation.

Modal shift in Japan

For transportation to areas around Tokyo

To reduce the total number of vehicles, large trucks are used in place of medium and small-sized trucks. ※ Distance from the production base to Narita airport: 230 km

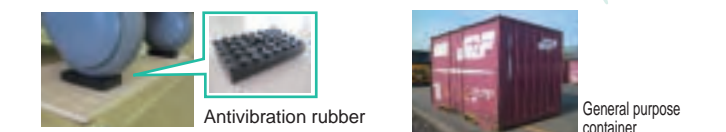


Modal shift in international transportation

Modal shift from air to sea and rail transportation for export of medical systems to Korea.



Improved packaging to realize transportation using general purpose containers



*1: Emission per vehicle *2: Reduction achieved in the first half of fiscal 2007 compared to fiscal 2006

TOPICS

"Our employee was commended for excellent pollution control efforts"

Mr. Terunori Oshima, an employee in the Quality and Environment Assurance Department at Toshiba Medical Systems Corporation, was commended by the Environment Technology Association Tochigi on March 25th, 2008, for his excellent efforts to properly manage pollution control facilities over the years. Our employee has won this award for three consecutive years.



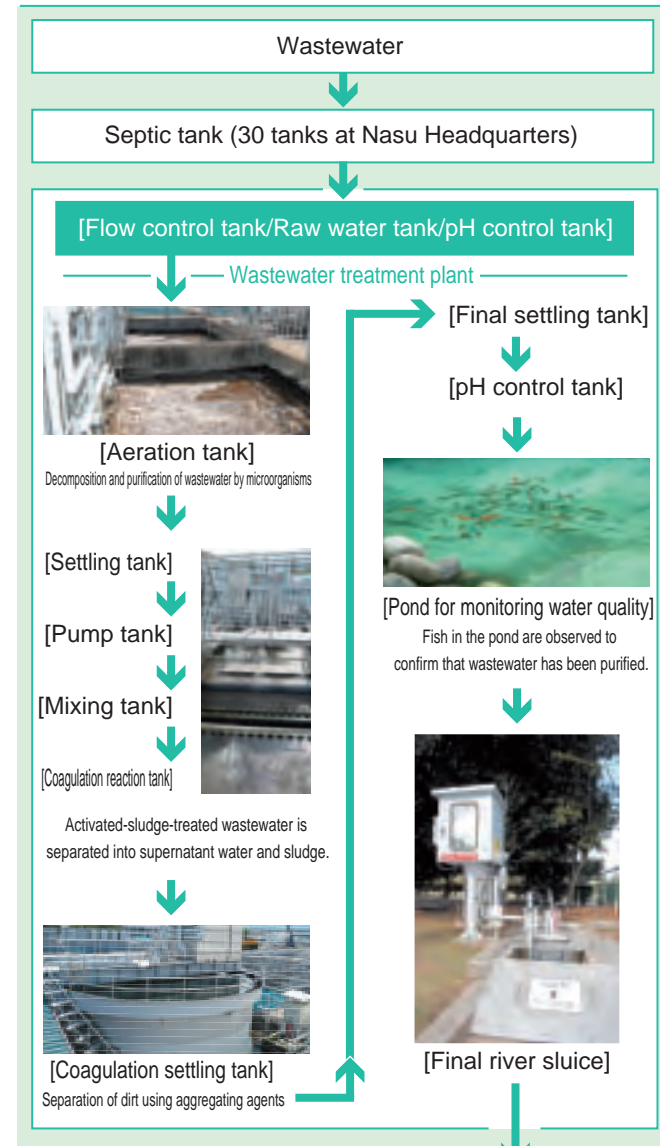
"Clean the wastewater and return it to nature" – This is our rule for living with the local community.

Reflecting the motto "Water returned from the premises must be clean", we treat wastewater ourselves using an extensive water quality control system.

A wastewater treatment plant at Nasu Headquarters ensures water quality

As the most effective system for preserving water quality, we established a wastewater treatment plant at Nasu Headquarters. Subject to a strict water quality control system, wastewater within the premises of Nasu Operations undergoes various processes to improve quality, and is finally returned from the premises through sluices.

Wastewater treatment flow



Sluiced into the Class-A Houki River

A green belt extends across the region surrounding Nasu Headquarters. The Class-A Houki River flows nearby.

● Saving water resources by introducing a water-permeable construction method

In February 2008, we established a parking lot that allows rainwater to be absorbed into the ground. Rainwater falling on the parking lot collects in osmotic cells, from where it can seep into the ground. This helps prevent flooding on the roads surrounding Nasu Headquarters and conserves groundwater resources.



● Processing discharged sludge into compost

A great amount of sludge generated by natural (microbial) purification is dehydrated and has been effectively used as compost for farming.

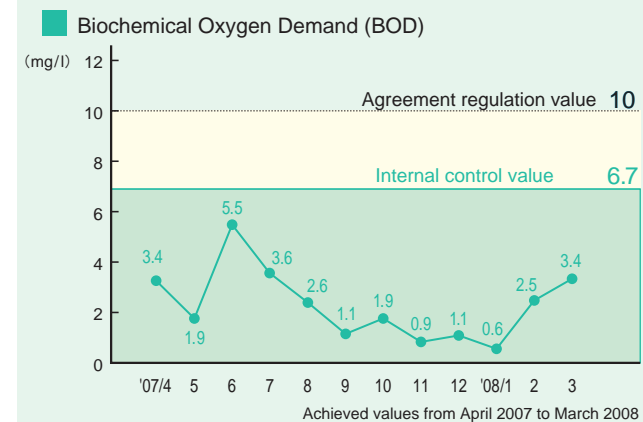
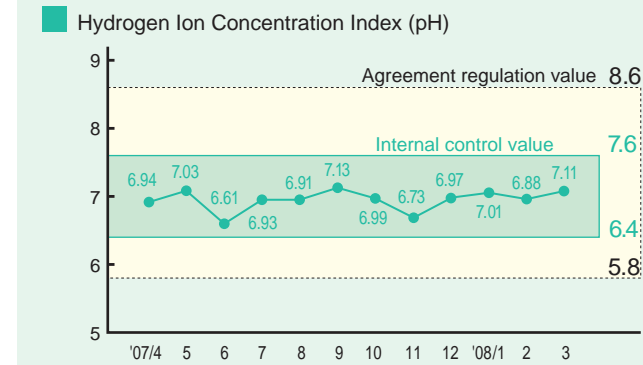


Extensive water quality control and testing

Water quality is affected by the weather and production status. Through sequencer-based control, data management, and monitoring by employees, we are strictly controlling water quality around the clock. For water quality measurements, we have established independent control values that are stricter than those in the laws and regulations (agreement regulation values). Our water quality measurements have met all agreement regulation values.



DATA Water quality measurements (at the Nasu Headquarters final river sluice)



Environmental accounting

We introduced an "Environmental Accounting System" in fiscal 1999 to assess the costs and benefits of our environmental protection activities and to serve as a guideline for our business activities. We calculated the expenditure invested in environmental protection activities in fiscal 2007, "costs of promoting environmental activities", as well as "benefits of promoting environmental activities", including the actual benefits, assumed benefits, and customer benefits resulting from these environmental protection activities. In fiscal 2007, we expanded the scope of totals to include eight bases of group companies in Japan and overseas (offices with 30 or more employees), and released environmental accounting information that represents the whole of Toshiba Medical Systems Group. From now on, we will make full efforts to further improve the precision of our environmental accounting.

Costs of promoting environmental activities

Classification	Content	Investment period	Costs during the period
Business area costs	Reduction of environmental impact ① to ③		310 314
Breakdown	① Pollution prevention costs	Pollution of atmosphere, water quality, soil, etc.	0 54
	② Global environment protection costs	Prevention of global warming, protection of ozone layer, etc.	310 162
	③ Resource circulation costs	Effective use of resources, waste reduction, etc.	0 98
Upstream/downstream costs	Green procurement, recycling, etc.		0 220
Administration costs	Labor costs for environmental training, environmental protection, etc.		0 175
Research and development costs	Development of environmentally friendly products, etc.		0 1,887
Social activity costs	Tree planting, disclosure of information, etc.		0 0
Environmental remediation costs	Air pollution levy, etc.		0 0
		Total	310 2,596

Benefits of promoting environmental activities

Classification	Content	Total	
Actual benefits	Benefits that can be directly converted into monetary value, such as reductions in electricity and water charges	-821	
Assumed benefits	Benefits concerning reduction in environmental impact converted into a monetary amount*	4	
Customer benefits	Benefits concerning reduction in environmental impact at the usage stage converted into a monetary amount	685	
Risk prevention benefits	Calculated value of reduction in environmental risk before and after investment	0	
		Total	-132

Target scope of totals: Toshiba Medical Systems Corporation and group companies in Japan and other countries (for offices with 30 or more employees)
 Totaling period: April 1st, 2007 to March 31st, 2008
 Totaling method: Environmental protection costs according to the Ministry of the Environment's "Environmental Accounting System Guidelines", environmental protection benefits according to Toshiba's independent standards.

Breakdown of actual benefits Unit: million yen

Item	Reduction of environmental impact*	Benefits converted into a monetary amount	
Energy	-13,678 KJ	-838	
Waste	-17 t	17	
Water	-17,083 m ³	0	
		Total	-821

Breakdown of assumed benefits

Item	Reduction of environmental impact*	Benefits converted into a monetary amount	
Wastewater related	3.1 t	-3.8	
Atmosphere related	0.6 t	7.3	
		Total	3.5

Breakdown of customer benefits

Item	Reduction of environmental impact*	Benefits converted into a monetary amount
Environmental impact reduction benefits at the usage stage	2,980万 kWh	685

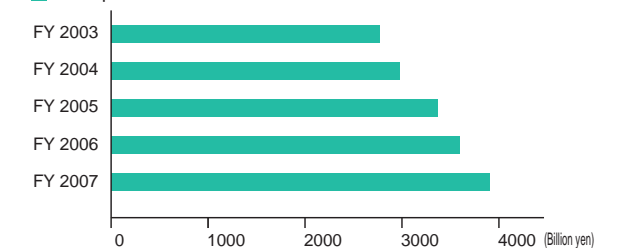
*The amount of reduction in environmental impact is the difference between fiscal 2006 and fiscal 2007.

Corporate Profile



Company name	Toshiba Medical Systems Corporation
Founded	1930 (October)
Incorporated	1948 (September)
Representative director/President	Kenichi Komatsu
Headquarters	1385 Shimoishigami, Otawara-shi, Tochigi-ken, JAPAN Tel 0287-26-6211
Tokyo office	3-26-5 Hongo, Bunkyo-ku, Tokyo, JAPAN Tel 03-3818-2061
Capital	14.7 billion yen
Number of Group employees	7202 (as of March 31st, 2008)
Scope of business	Development, manufacture, sale and technical services for medical equipment (including diagnostic X-ray systems, medical X-ray CT systems, magnetic resonance imaging systems, diagnostic ultrasound systems, radiation therapy systems, diagnostic nuclear medicine systems, medical sample testing equipment, and information systems for medical equipment).

■ Group's consolidated sales



Website <http://www.toshiba-medical.co.jp>