

Toshiba profits surge but yen overshadows outlook

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Japanese electronics giant Toshiba said Tuesday its net profit surged in the three months ended September from a year earlier but left its profit outlook unchanged on uncertainties caused by a strong yen.

Toshiba, whose business embraces consumer electronics and nuclear power plants, saw net income of 27.3 billion yen in the fiscal second quarter, improving on a profit of 94 million yen a year earlier.

The electronics giant saw strong sales of [memory chips](#) used in computers, smartphones and other gadgets in the period, it said. Its digital product business including [LCD TVs](#) and personal computers also enjoyed boost in sales.

Japan's electronics makers have staged a recovery from the depths of the [financial crisis](#) after restructuring measures that involved cost reductions and thousands of job cuts for many companies.

But the benefits of a rebound in consumer demand have been complicated by fears over the impact of a strong yen on earnings. While profits continue to rise, companies have offered conservative profit outlooks, citing uncertainty.

Despite its strong profits, Toshiba left unchanged an earlier forecast of a 70 billion yen [net profit](#) and 250 billion yen operating profit for the full year to March on sales of seven trillion yen.

A strong yen and falls in prices erased about 375 billion yen in operating profit for the six months to September, which was offset by cost cut efforts, Toshiba said.

Toshiba announced a return to the black in the six months to September, posting a 27.8 billion yen (343 million dollars) net profit compared with a loss of 57.7 billion yen a year earlier.

First half operating profit soared to 104.8 billion yen from just 2.1 billion the same period last year on strong sales of semiconductors and [liquid crystal displays](#) (LCDs), it said in a statement.

Sales increased 6.4 percent to 3.08 trillion yen from 2.90 trillion a year earlier.

[Toshiba](#) shares closed up 1.42 percent before the earnings announcement.

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