

Japan's Toshiba sees losses narrow

7 May 2010



The logo of Japanese firm Toshiba is seen in central Tokyo. Japanese high-tech giant Toshiba Corp. announced a sharply narrowed annual net loss based on strong demand for flash memory chips used in laptops, smartphones and other gadgets..

Japanese high-tech giant Toshiba Corp. announced Friday a sharply narrowed annual net loss based on strong demand for flash memory chips used in laptops, smartphones and other gadgets.

The electronics maker, whose business spans across consumer electronics, industrial components and nuclear power plants, said it expected to return to profit in the current year thanks to its robust microchip business.

Toshiba incurred a group net loss of 19.74 billion yen (215 million dollars) in the year ended in March, much smaller than the year-before loss of 343.56 billion yen, which was its biggest ever.

The company also swung back into the black on an operating basis, posting a profit of 117.19 billion yen against a loss of 250.19 billion yen the preceding year.

"Most notably, operating income in the [semiconductor business](#) returned to the black, driven in particular by a recovery" in [memory](#)

[device](#) sales which were previously a drag on earnings, the firm said in a statement.

Toshiba is the world's second largest maker by market share of NAND [flash memory chips](#) used in gadgets such as portable music players, cameras, phones and laptops after South Korea's [Samsung Electronics](#) Co.

The Japanese maker's results reflect the improving health of the sector as it emerges from the global slump after efforts to streamline operations and cut costs.

The company slashed around 8,000 jobs over the past two fiscal years and said last year it would stop making mobile telephones in Japan as part of efforts to recover from its biggest ever loss.

Companies such as Toshiba "trimmed losses on business restructuring and a recovery in demand from the rest of Asia in the previous year," said Hideyuki Araki, an economist at Resona Research Institute.

The sector aims to "expand revenue this year on the back of recovering overseas economies and by focusing more on new sectors such as environmental businesses," Araki added.

Toshiba also said it saw higher profit in its [nuclear power plant](#) businesses. The Japanese company owns US-based nuclear plant maker Westinghouse.

The company reduced fixed costs by 430 billion yen from the preceding year.

Overall sales sank 4.1 percent to 6.38 trillion yen due to the impact of a strong yen on overseas earnings and the demand-sapping effects of the global recession in the first half of the fiscal year.

For the current year to March 2011, [Toshiba](#) expects a net profit of 70 billion yen and operating profit of 250 billion yen on sales of 7.0 trillion yen.

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APA citation: Japan's Toshiba sees losses narrow (2010, May 7) retrieved 2 December 2021 from <https://phys.org/news/2010-05-japan-toshiba-losses-narrow.html>

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