



**TOSHIBA**

**FY2019  
First Quarter Consolidated  
Business Results**

**Masayoshi Hirata**

**Representative Executive Officer and  
Corporate Executive Vice President  
Toshiba Corporation**

**August 7, 2019**

# Forward-looking Statements

- This presentation contains forward-looking statements concerning future plans, strategies, and the performance of Toshiba Corporation (hereinafter “Toshiba” or “the Company”) and its consolidated subsidiaries (hereinafter “Toshiba Group” or “the Group”).
- These forward-looking statements are not historical facts; rather they are based on management’s assumptions and beliefs in light of the economic, financial, and other data currently available.
- Since Toshiba Group promotes business in various market environments in many countries and regions, its activities are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations, and other factors. Toshiba therefore wishes to caution readers that actual results might differ from the expectations.
- Toshiba Group’s fiscal year (FY) runs from April 1 to March 31. H1 refers to the first six months (April–September); H2 refers to the latter six months (October–March); Q1 refers to the first quarter (April–June); Q2 refers to the second quarter (July–September); Q3 refers to the third quarter (October–December); and Q4 refers to the fourth quarter (January–March).
- All figures are consolidated totals for the first three months of FY2019, unless otherwise stated.
- Results in segments have been reclassified to reflect the current organizational structure as of April 1, 2019, unless otherwise stated.
- Since Toshiba is not involved in the management of Toshiba Memory Holdings (hereinafter “Toshiba Memory”) and is not provided any forecasted business results, Toshiba Group’s forward-looking statements concerning future performance do not include the impact of Toshiba Memory.

# Agenda

**01 Overall Business Results**

**02 Business Results by Segment**

**03 Supplementary Information**

**04 FY2019 Forecast**

# 01

## Overall Business Results

# FY2019/Q1 Income (Loss)/Cash Flow Items

Operating income increased due to Restructuring and Procurement reforms  
Loss provision related to the transfer of LNG Business was recorded

(Yen in billions, except earnings (loss) per share)

(↗): Better  
(↘): Worse

\* "SL": Solutions

Contributing Factors

	FY2018/Q1	FY2019/Q1	Difference	
Net sales	842.3	<b>813.2</b>	-29.1	(↗) Infrastructure Systems & SL* Building SL, Digital SL (↘) Energy Systems & SL, Electronic Devices & Storage SL, Others (Deconsolidation of PC business -42.6) (↗) Impact of exchange rate changes +2.0
Operating income (loss)	0.7	<b>7.8</b>	+7.1	(↗) Energy Systems & SL, Infrastructure Systems & SL, Building SL, Digital SL (↘) Electronic Devices & Storage SL, Others
ROS	0.1%	<b>1.0%</b>	+0.9%pt	(↗) Impact of exchange rate changes ±0.0
Income (loss) from continuing operations before income taxes and noncontrolling interests	28.4	<b>-129.7</b>	-158.1	(↘) Loss provisions for the transfer of LNG Business -89.3 (↘) Change in equity earnings from Toshiba Memory -50.3(FY2018/Q1 Actual 12.2)
Net income (loss)	1,016.7	<b>-140.2</b>	-1,156.9	(↘) Difference of -1,037.5 reflects the gain from discontinued operations including gain from the sale of the Memory business in FY2018/Q1
Earnings (loss) per share attributable to shareholders of the Company	1,560.25 yen	<b>-264.99 yen</b>	-1,825.24 yen	
Free cash flows	1,573.6	<b>39.9</b>	-1,533.7	(↘) Difference of -1,453.6 in the gain from the sale of the Memory business

# FY2019/Q1 Balance Sheet Items

(Yen in billions)

	2019/3E	2019/6E	Difference	Contributing Factors <small>(↗): Better (↘): Worse</small>
Equity attributable to shareholders of the Company	1,456.7	<b>1,199.1</b>	-257.6	(↘) Net income (loss) -140.2 (↘) Amount of share repurchase -104.6
Shareholders' equity ratio	33.9%	<b>29.6%</b>	-4.3%pt	
Net interest-bearing debt	-900.8	<b>-645.7</b>	+255.1	(↗) Free cash flows 39.9 (↘) Amount of share repurchase -104.6 Increase in operating lease liabilities due to change of accounting standard -159.5 Payment of dividend, impact of exchange rate changes etc.
Net debt-to-equity ratio	-62%	<b>-54%</b>	+8%pt	
Exchange rate(US\$) as of the period-end	111 yen	<b>108 yen</b>	-3 yen	

- A negative in the Net interest bearing debt amounts indicates a net cash position, whereby cash and cash equivalents exceeds interest-bearing debt.

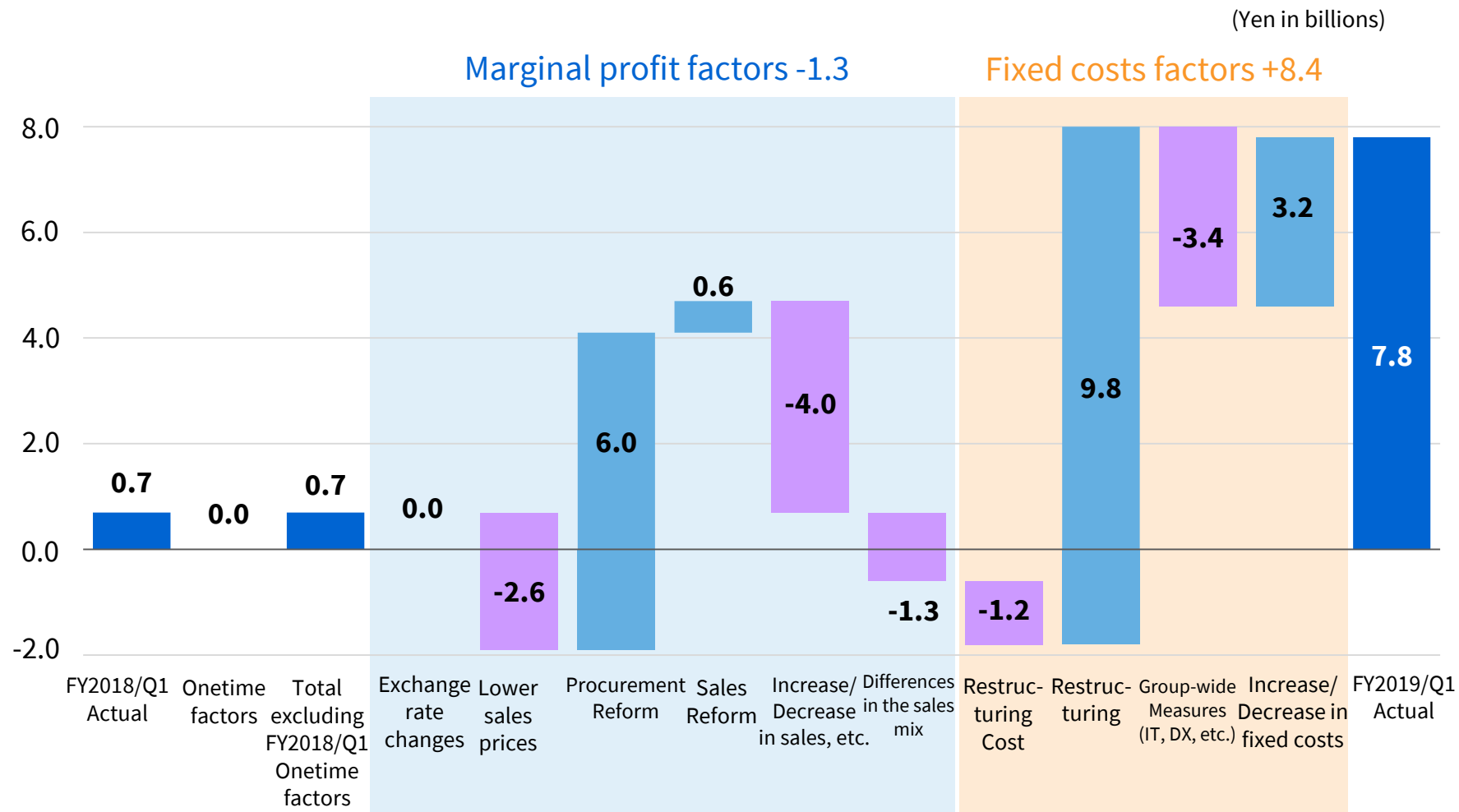
# FY2019/Q1 Detailed Items

(Yen in billions, except earnings (loss) per share)

	FY2018/Q1	<b>FY2019/Q1</b>	Difference
Net sales	842.3	<b>813.2</b>	-29.1
Operating income (loss)	0.7	<b>7.8</b>	+7.1
Non-operating income (loss)	27.7	<b>-137.5</b>	-165.2
Income (loss) from continuing operations before income taxes and noncontrolling interests	28.4	<b>-129.7</b>	-158.1
Tax expenses	-13.1	<b>-4.6</b>	+8.5
Net income (loss) from continuing operations before noncontrolling interests	15.3	<b>-134.3</b>	-149.6
Net income (loss) from discontinued operations before noncontrolling interests	1,007.7	-	-1,007.7
Net income (loss) attributable to noncontrolling interests	-6.3	<b>-5.9</b>	+0.4
Net income (loss)	1,016.7	<b>-140.2</b>	-1,156.9
Earnings (loss) per share attributable to shareholders of the Company	1,560.25 yen	<b>-264.99 yen</b>	-1,825.24 yen
Free cash flows	1,573.6	<b>39.9</b>	-1,533.7
	2019/3E	<b>2019/6E</b>	Difference
Equity attributable to shareholders of the Company	1,456.7	<b>1,199.1</b>	-257.6
Shareholders' equity ratio	33.9%	<b>29.6%</b>	-4.3%pt
Net assets	1,699.0	<b>1,437.7</b>	-261.3
Net interest-bearing debt	-900.8	<b>-645.7</b>	+255.1
Net debt-to-equity ratio	-62%	<b>-54%</b>	+8%pt
Exchange rate(US\$) as of the period-end	111 yen	<b>108 yen</b>	-3 yen

# Operating Income (Loss), FY2018/Q1 to FY2019/Q1 Analysis

YoY increase in operating income as sales decline was offset by restructuring and procurement reform





# Non-operating Income (Loss) and Expenses

## Loss provision related to the transfer of LNG Business was recorded

(Yen in billions)

	FY2018/Q1	FY2019/Q1	Difference
Net financial income (loss)	-1.5	<b>-0.2</b>	+1.3
Foreign exchange income (loss)	-0.2	<b>-2.8</b>	-2.6
Income (loss) on sale or disposal of fixed assets	0.0	<b>-0.6</b>	-0.6
Income (loss) on sale of securities	0.1	<b>0.0</b>	-0.1
Settlement costs of lawsuits	-1.8	<b>-4.8</b>	-3.0
Equity in earnings of affiliates	13.6	<sup>*1</sup> <b>-37.7</b>	-51.3
Others	<sup>*2</sup> 17.5	<sup>*3</sup> <b>-91.4</b>	-108.9
<b>Total</b>	<b>27.7</b>	<b>-137.5</b>	<b>-165.2</b>

\*1 Equity earnings from Toshiba Memory : -38.1

\*2 Gain from the transfer of Toshiba General Hospital in previous fiscal year: 23.9

\*3 Loss provisions of the transfer of LNG Business: -89.3

- Toshiba is not involved in the management of Toshiba Memory and cannot comment on its business performance on its behalf. Accordingly, those details are not discussed herein.

# Free Cash Flows

## Positive in Operating CF and FCF

	FY2017/Q1	FY2018/Q1	<b>FY2019/Q1</b>
Cash flows from operating activities	36.6	196.7	<b>68.4</b>
Cash flows from investing activities	-35.7	1,376.9	<b>-28.5</b>
Free cash flows	0.9	1,573.6	<b>39.9</b>

(Yen in billions)

(Reference)

Cash flows related to the Memory business\*

Cash flows from operating activities	7.5	73.5	<b>0.0</b>
Cash flows from investing activities	-16.8	1,388.6	<b>0.0</b>
Free cash flows	-9.3	1,462.1	<b>0.0</b>

Cash flows excluding the Memory business\*

Cash flows from operating activities	29.1	123.2	<b>68.4</b>
Cash flows from investing activities	-18.9	-11.7	<b>-28.5</b>
Free cash flows	10.2	111.5	<b>39.9</b>

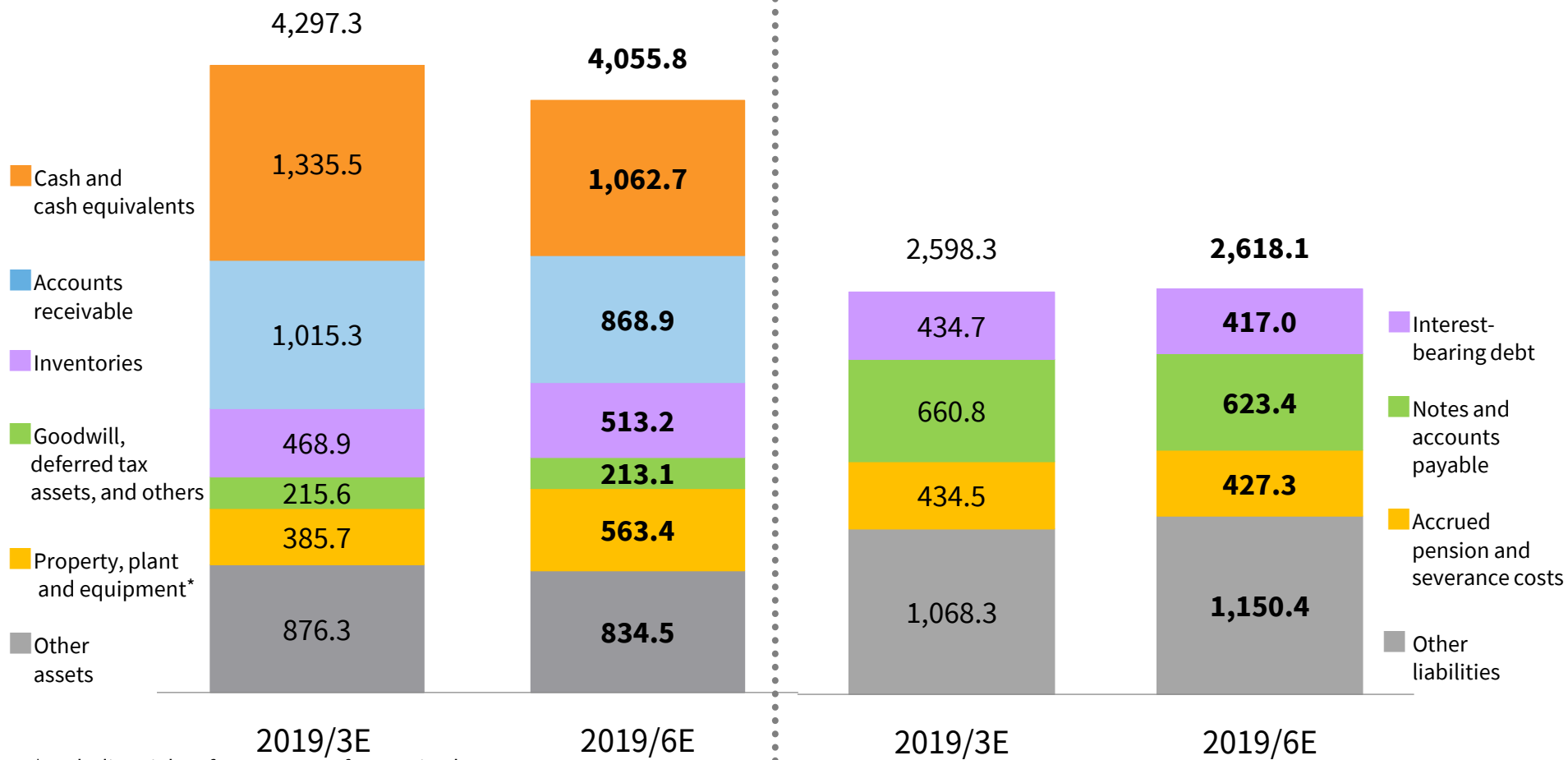
\*This is treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.

# Balance Sheet

(Yen in billions)

## Assets

## Liabilities



\* Including right-of-use assets of operating leases

# 02

## **Business Results by Segment**

# FY2019/Q1 Consolidated Business Results by Segment

		2018/Q1	2019/Q1	Difference	(growth rate)	
(Yen in billions)						
Energy Systems & Solutions	Net sales	132.5	<b>129.2</b>	-3.3	-2%	
	Operating income (loss)	-4.3	<b>-3.4</b>	+0.9		
	ROS	-3.2%	<b>-2.6%</b>	+0.6%pt		
Infrastructure Systems & Solutions	Net sales	139.9	<b>148.7</b>	+8.8	+6%	
	Operating income (loss)	-2.1	<b>2.3</b>	+4.4		
	ROS	-1.5%	<b>1.5%</b>	+3.0%pt		
Building Solutions	Net sales	129.1	<b>141.2</b>	+12.1	+9%	
	Operating income (loss)	3.2	<b>8.1</b>	+4.9		
	ROS	2.5%	<b>5.7%</b>	+3.2%pt		
Retail & Printing Solutions	Net sales	117.0	<b>118.3</b>	+1.3	+1%	
	Operating income (loss)	4.5	<b>4.2</b>	-0.3		
	ROS	3.9%	<b>3.6%</b>	-0.3%pt		
Electronic Devices & Storage Solutions	Net sales	225.4	<b>197.0</b>	-28.4	-13%	
	Operating income (loss)	4.4	<b>1.2</b>	-3.2		
	ROS	2.0%	<b>0.6%</b>	-1.4%pt		
Digital Solutions	Net sales	56.4	<b>69.2</b>	+12.8	+23%	
	Operating income (loss)	-1.5	<b>2.2</b>	+3.7		
	ROS	-2.6%	<b>3.2%</b>	+5.8%pt		
Others	Net sales	123.6	<b>77.3</b>	-46.3	-37%	* Impact of deconsolidation of PC business -42.6
	Operating income (loss)	-5.3	<b>-9.2</b>	-3.9		* Impact of deconsolidation of PC business +1.1
Eliminations	Net sales	-81.6	<b>-67.7</b>	+13.9		
	Operating income (loss)	1.8	<b>2.4</b>	+0.6		
Total	Net sales	842.3	<b>813.2</b>	-29.1	-3%	
	Operating income (loss)	0.7	<b>7.8</b>	+7.1		
	ROS	0.1%	<b>1.0%</b>	+0.9%pt		

# Energy Systems & Solutions Results Breakdown

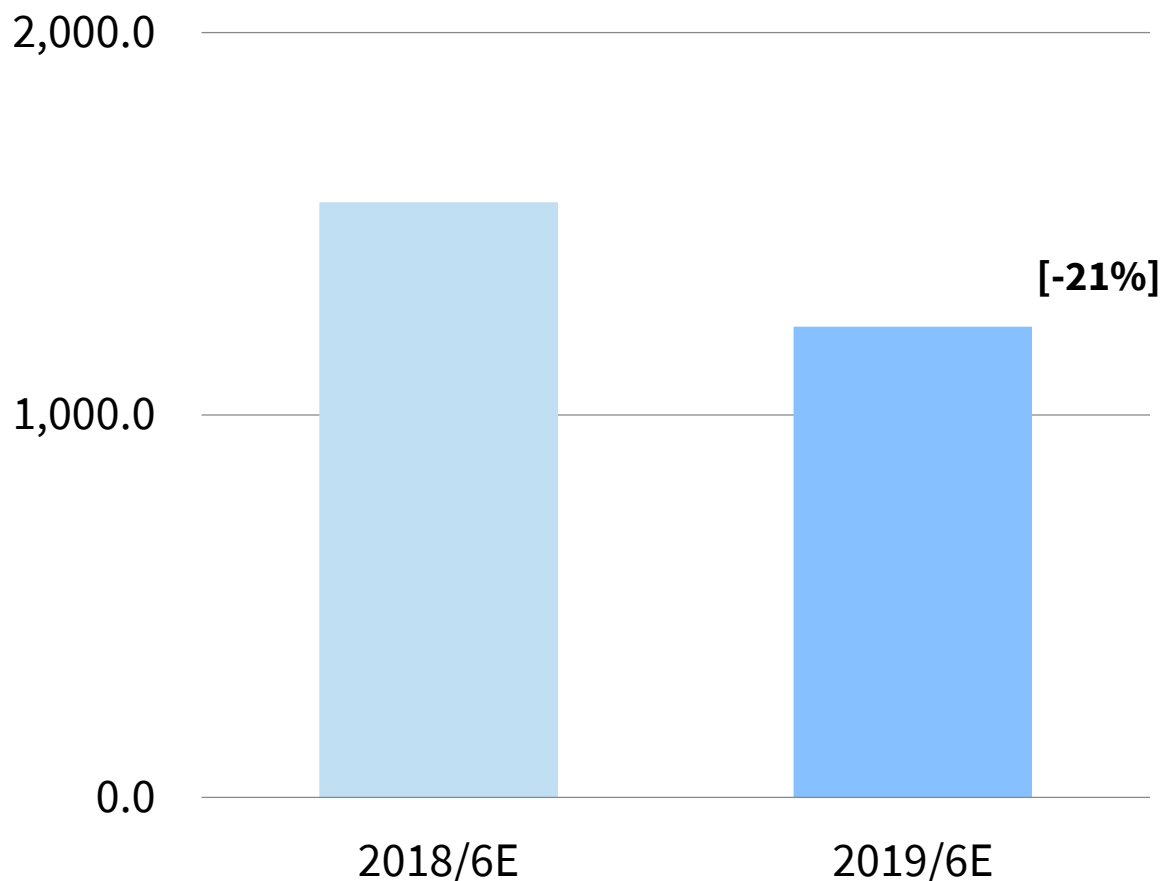
(Yen in billions)

		2018/Q1	2019/Q1	Difference (growth rate)		
Energy Systems & Solutions	Net sales	132.5	<b>129.2</b>	-3.3	-2%	Impact of exchange rate changes: +0.2
	Operating income (loss)	-4.3	<b>-3.4</b>	+0.9		Impact of exchange rate changes: +0.3
	ROS	-3.2%	<b>-2.6%</b>	+0.6%pt		Restructuring: +2.4
	FCF by segment		<b>-2.4</b>			
Nuclear Power Systems	Net sales	19.8	<b>24.2</b>	+4.4	+22%	(↗) Progression of projects related to safety measures
	Operating income (loss)	-0.5	<b>-1.3</b>	-0.8		(↗) Higher operating income due to higher sales
	ROS	-2.5%	<b>-5.4%</b>	-2.9%pt		(↘) Differences in the sales mix of projects
Thermal & Hydro Power Systems	Net sales	66.0	<b>51.6</b>	-14.4	-22%	(↘) Reduction in large-scale thermal power construction projects
	Operating income (loss)	-3.4	<b>-4.6</b>	-1.2		(↘) Lower operating income due to lower sales, deteriorated profitability of thermal power construction projects overseas
	ROS	-5.2%	<b>-8.9%</b>	-3.7%pt		
Transmission & Distribution Systems	Net sales	49.7	<b>59.5</b>	+9.8	+20%	(↗) Projects in Japan related to Transmission & Distribution system, Renewable energy business
	Operating income (loss)	1.2	<b>3.8</b>	+2.6		(↗) Higher operating income due to higher sales, Reduction in unprofitable projects
	ROS	2.4%	<b>6.4%</b>	+4.0%pt		
Others	Net sales	-3.0	<b>-6.1</b>	-3.1		
	Operating income (loss)	-1.6	<b>-1.3</b>	+0.3		

\*Free cash flows by segment are treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.

# Energy Systems & Solutions Order Backlog

(Yen in billions)  
[ ]=year-on-year comparison



- **Nuclear Power Systems: Significantly Decreased**  
(⬇) Withdrawal from overseas nuclear projects
- **Thermal & Hydro Power Systems: Decreased**  
(⬇) Declined due to the progress made of new-construction projects and reducing large-scale thermal construction projects
- **Transmission & Distribution Systems: Decreased**  
(⬇) Declined due to the progress made of current large-scale projects and reducing large-scale projects

# Infrastructure Systems & Solutions Results Breakdown

## Building Solutions

(Yen in billions)

		2018/Q1	2019/Q1	Difference (growth rate)	
Infrastructure Systems & Solutions	Net sales	139.9	<b>148.7</b>	+8.8	+6% Impact of exchange rate changes: +0.3
	Operating income (loss)	-2.1	<b>2.3</b>	+4.4	Impact of exchange rate changes: -0.1
	ROS	-1.5%	<b>1.5%</b>	+3.0%pt	Restructuring: +1.2
	FCF by segment		<b>29.6</b>		
Public Infrastructure	Net sales	70.4	<b>76.4</b>	+6.0	+9% (↗) Expansion of the social systems business
	Operating income (loss)	-1.9	<b>1.8</b>	+3.7	(↗) Higher operating income due to higher sales
	ROS	-2.7%	<b>2.4%</b>	+5.1%pt	
Railways and Industrial Systems	Net sales	83.9	<b>87.7</b>	+3.8	+5% (↗) Expansion of the industrial equipment
	Operating income (loss)	-0.2	<b>0.5</b>	+0.7	(↗) Higher operating income due to higher sales
	ROS	-0.2%	<b>0.6%</b>	+0.8%pt	
Building Solutions	Net sales	129.1	<b>141.2</b>	+12.1	+9% (↗) Elevator and escalator (Japan, Overseas), Air conditioning (Japan, Overseas) (↘) Lighting
	Operating income (loss)	3.2	<b>8.1</b>	+4.9	Impact of exchange rate changes: -0.7 Restructuring: +0.6
	ROS	2.5%	<b>5.7%</b>	+3.2%pt	(↗) Elevator and escalator (Japan, Overseas), Lighting, Air conditioning (Japan, Overseas)
	FCF by segment		<b>8.1</b>		

\*Free cash flows by segment are treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.



# Electronic Devices & Storage Solutions Results Breakdown

(Yen in billions)

		2018/Q1	2019/Q1	Difference (growth rate)	
Electronic Devices & Storage Solutions	Net sales	225.4	<b>197.0</b>	-28.4	-13% Impact of exchange rate changes: +3.0
	Operating income (loss)	4.4	<b>1.2</b>	-3.2	Impact of exchange rate changes: +0.7
	ROS	2.0%	<b>0.6%</b>	-1.4%pt	Restructuring: +3.2
	FCF by segment		<b>-18.6</b>		
Semiconductor <sup>*1</sup>	Net sales	85.4	<b>71.4</b>	-14.0	-16% (⬇️) (D)(S) Slowdown in the Chinese markets
	Operating income (loss)	2.8	<b>-3.1</b>	-5.9	(⬇️) (D)(S) Lower operating income due to lower sales
	ROS	3.3%	<b>-4.3%</b>	-7.6%pt	
HDDs & Others <sup>*2</sup>	Net sales	140.0	<b>125.6</b>	-14.4	-10% (⬇️) (R) Change of sales channels
	Operating income (loss)	1.6	<b>4.3</b>	+2.7	(⬆️) (H) Effects of reduction in expenses and improvement of productivity
	ROS	1.1%	<b>3.4%</b>	+2.3%pt	

\*1 Including sales of discrete semiconductors, systems LSIs, and those by NuFlare Technology(NFT).

\*2 Including sales of HDD, Materials & Devices, and resale of memory products etc.

(D): Discrete semiconductors

(S): System LSIs

(H): HDDs

(R): Resale of memory products

\*Free cash flows by segment are treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.

# Retail & Printing Solutions

## Digital Solutions

(Yen in billions)

	2018/Q1	2019/Q1	Difference (growth rate)		
Retail & Printing Solutions					Impact of exchange rate changes: -0.1
Net sales	117.0	<b>118.3</b>	+1.3	+1% (↗) (R)Higher sales in Japan, Lower sales in overseas (↘) (P)Lower sales	
Operating income (loss)	4.5	<b>4.2</b>	-0.3		Impact of exchange rate changes: -0.2
ROS	3.9%	<b>3.6%</b>	-0.3%pt	(↘) (R)Higher operating income in Japan, Lower operating income in overseas (↘) (P)Lower operating income	
FCF by segment		<b>9.4</b>			

(R):Retail business  
(P):Printing business

	2018/Q1	2019/Q1	Difference (growth rate)		
Digital Solutions					Impact of exchange rate changes: ±0.0
Net sales	56.4	<b>69.2</b>	+12.8	+23% (↗) System-related projects to the public sector and the manufacturing sector (↘) Impact of the sales of subsidiaries	
Operating income (loss)	-1.5	<b>2.2</b>	+3.7		Impact of exchange rate changes: ±0.0 Restructuring: +1.3
ROS	-2.6%	<b>3.2%</b>	+5.8%pt	(↗) Higher operating income due to higher sales	
FCF by segment		<b>13.8</b>			

\*Free cash flows by segment are treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.

# 03

## Supplementary Information

# LNG Business\*(Freeport)

## Entered into the purchase and sales agreement with Total on May 31 Necessary procedures in process for the early completion

- On May 31, the Group entered into the purchase and sales agreement (hereinafter “the Transfer”) with Total Gas & Power Asia Private Limited (hereinafter “Total”), the Singaporean arm of Total S.A., the French major energy company, which includes conditions below;
  - to transfer all shares of Toshiba America LNG Corporation, a Toshiba consolidated subsidiary.
  - to transfer or cancel all contracts related to LNG Business entered into by the Group.
  - to release the Company from its existing guarantee provided to FLNG Liquefaction 3, LLC(FLIQ3) by replacing with a substitute guarantee to be provided by Total.
- As required by the accounting standards, the Company performed a comprehensive review of the required regulatory approvals and the credibility of Total and concluded that the completion of the Transfer was highly probable. Accordingly, the Company recognized a pre-tax provision for a loss of **89.3 billion yen** in FY2019/Q1 to reflect the one-time payment to Total and related expenses.
- The Company plans to complete all necessary procedures and finalize the Transfer by March 31, 2020.

\* In light of Accounting Standards Update 2017-01 - Business Combinations (Topic 805): Clarifying the Definition of a Business, our LNG Business does not fall into a category of “Business”. The term of “LNG Business” are used in this material for the convenience of understanding.

# Shareholder Return (Repurchase of its Own Shares)

**Total repurchase of its own shares was  
504.4 billion yen as at 2019/6E**

**[Status of the repurchase of its own shares (Approved by the Board of Directors on November 8, 2018)]**

	2019/3E	2019/6E	(Reference) 2019/7E
Total number of shares repurchased (shares in thousands)	110,364	140,414	146,499
Total amount of repurchase price (Yen in billions)	399.8	504.4	525.1
Progress rate (Amount base: per up to 700.0 billion yen)	57.1%	72.1%	75.0%
Total number of shares issued (shares in thousands)	544,000	521,000	521,077
Total number of the Company's Own shares (shares in thousands)	2,735	9,793	15,881

\*The Company did not repurchase own shares between July 1, 2019 and July 19, 2019 due to issuance of new shares as stock compensation

# Equity Earnings (Loss) from Toshiba Memory

(Yen in billions)

		Equity earnings (loss)	(Impact of PPA) Included
FY2018	Q1 Actual (only in 2018/6)	12.2	
	Q2 Actual	33.0	
	Q3 Actual	-37.7	-56.3
	Q4 Actual	-4.2	-7.4
<b>FY2019</b>	<b>Q1 Actual</b>	<b>-38.1</b>	<b>-8.0</b>
		(Impact of blackout: -9.6)	

(Reference) Bit Growth and change in ASP

		Bit Growth (vs. the previous quarter)	ASP (vs. the previous quarter)
FY2018	Q1 Actual	Increased lower-teens % range	Decreased upper-single digit %
	Q2 Actual	Increased lower-20% range	Decreased mid-10% range
	Q3 Actual	Increased lower-teens % range	Decreased mid-20% range
	Q4 Actual	Decreased mid-single digit %	Decreased mid-20% range
<b>FY2019</b>	<b>Q1 Actual</b>	<b>Increased lower-single digit %</b>	<b>Decreased mid-10% range</b>

Data provided by Toshiba Memory

- Toshiba is not involved in the management of Toshiba Memory and cannot comment on its business performance on its behalf. Accordingly, other than the above results, it is not discussed.

## [Forecast]

Toshiba does not receive any information related to forecast of equity earnings (loss) by Toshiba Memory. Going forward, only the actual results of Toshiba Memory will be disclosed in Toshiba's consolidated business results.

➔ The FY2019 forecast (p.24 of this document) is disclosed for reference only, which only include the equity earnings (loss) in Q1 actual and does not include the forecasted equity earnings (loss) of Toshiba Memory.

# 04

## **FY2019 Forecast**

# Overall

	FY2018 Actual	FY2019 Forecast	Difference	vs. previous forecast announced on May 13	(Yen in billions)
Net sales	3,693.5	<b>3,400.0</b>	-293.5	0.0	
Operating income (loss)	35.4	<b>140.0</b>	+104.6	0.0	
ROS	1.0%	<b>4.1%</b>	+3.1%pt	0.0%pt	

## (Reference)

The following FY2019 forecast only includes the equity earnings (loss) of Toshiba Memory in Q1 actual, and does not include the forecasted equity earnings (loss).

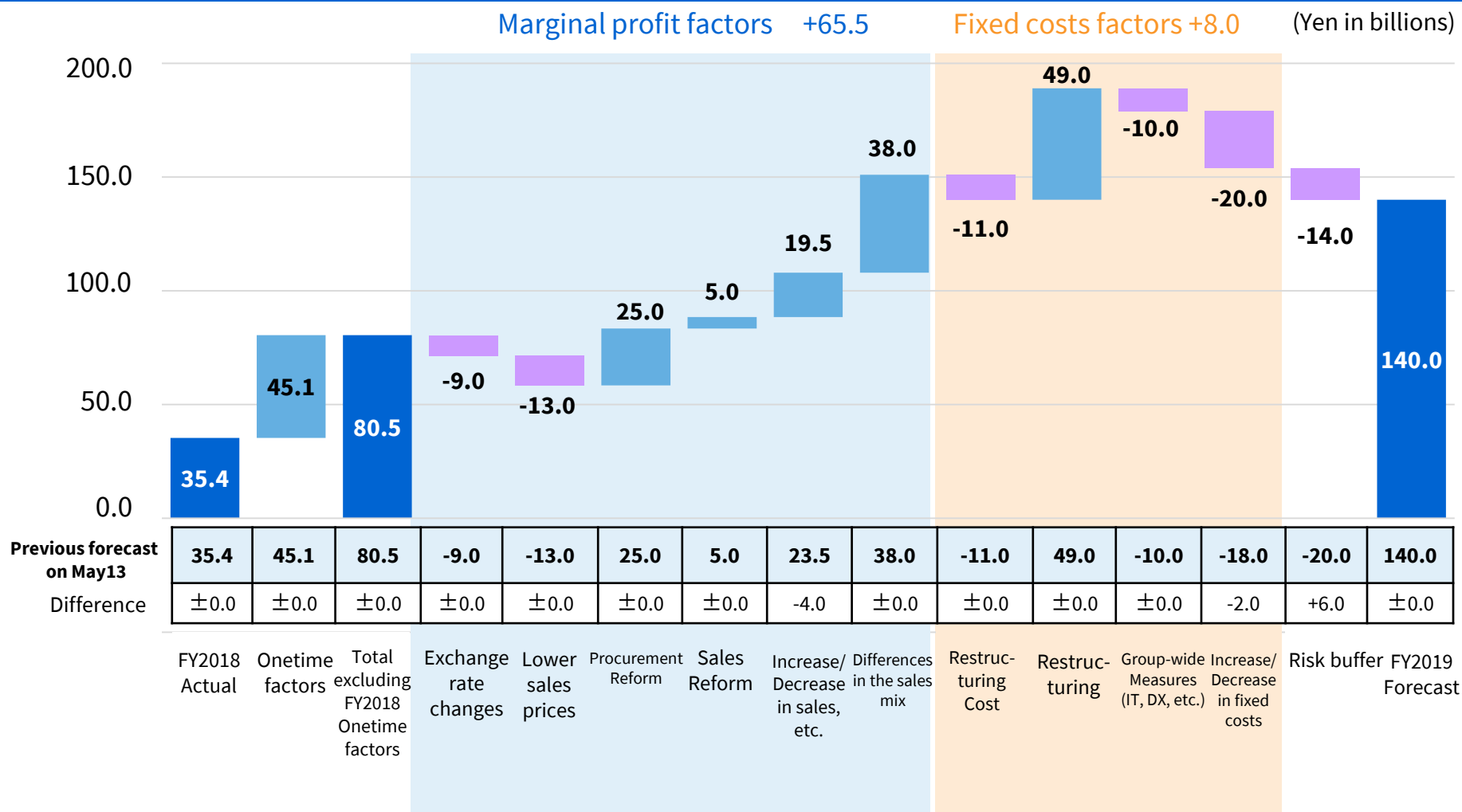
Income (loss) from continuing operations before income taxes and noncontrolling interests	10.9	<b>-40.0</b>	-50.9	-132.0	* Loss from the transfer of LNG Business: approx. -90.0 * Equity earnings from Toshiba Memory in FY2019/Q1 actual: -38.1
Net income (loss)	1,013.3	<b>-132.0</b>	-1,145.3	-132.0	
Free cash flows	1,430.3	<b>-410.0</b>	-1,840.3	-180.0	* Impact of improvement in trade terms for subcontractors: approx. -90.0 * Loss from the transfer of LNG Business: approx. -90.0
	2019/3E Actual	2020/3E Forecast	Difference	vs. previous forecast announced on May 13	
Equity attributable to shareholders of the Company	1,456.7	<b>990.0</b>	-466.7	-95.0	
Shareholders' equity ratio	33.9%	<b>26.2%</b>	-7.7%pt	-0.9%pt	
Net interest-bearing debt	-900.8	<b>10.0</b>	+910.8	+180.0	
Net debt-to-equity ratio	-62%	<b>1%</b>	+63%pt	+17%pt	

Exchange rate(US\$) as of the period-end	111 yen	<b>105 yen</b>	-6 yen	0 yen	
--	---------	----------------	--------	-------	--



# Operating Income (loss), FY2018 to FY2019 Analysis

**No change to the targeted operating income in FY2019 (140.0 billion yen)**



# Forecast by segment

		FY2018 Actual	FY2019 Forecast	Difference (growth rate)		vs. previous forecast announced on May 13	(Yen in billions)
Energy Systems & Solutions	Net sales	652.7	<b>580.0</b>	-72.7	-11%	-10.0	
	Operating income (loss)	-24.0	<b>24.0</b>	+48.0		-4.0	
	ROS	-3.7%	<b>4.1%</b>	+7.8%pt		-0.6%	
Infrastructure Systems & Solutions	Net sales	733.5	<b>690.0</b>	-43.5	-6%	0.0	
	Operating income (loss)	30.3	<b>41.0</b>	+10.7		+1.0	
	ROS	4.1%	<b>5.9%</b>	+1.8%pt		+0.1%	
Building Solutions	Net sales	557.0	<b>590.0</b>	+33.0	+6%	0.0	
	Operating income (loss)	16.9	<b>36.0</b>	+19.1		0.0	
	ROS	3.0%	<b>6.1%</b>	+3.1%pt		0.0%	
Retail & Printing Solutions	Net sales	485.4	<b>490.0</b>	+4.6	+1%	0.0	
	Operating income (loss)	20.2	<b>22.0</b>	+1.8		0.0	
	ROS	4.2%	<b>4.5%</b>	+0.3%pt		0.0%	
Electronic Devices & Storage Solutions	Net sales	933.0	<b>840.0</b>	-93.0	-10%	-10.0	
	Operating income (loss)	12.5	<b>47.0</b>	+34.5		-2.0	
	ROS	1.3%	<b>5.6%</b>	+4.3%pt		-0.2%	
Digital Solutions	Net sales	253.1	<b>270.0</b>	+16.9	+7%	+10.0	
	Operating income (loss)	8.1	<b>14.0</b>	+5.9		+1.0	
	ROS	3.2%	<b>5.2%</b>	+2.0%pt		+0.2%	
Others, Eliminations	Net sales	78.8	<b>-30.0</b>	-108.8		+10.0	
	Operating income (loss)	-28.6	<b>-30.0</b>	-1.4		-2.0	
Risk Buffer	Net sales	0.0	<b>-30.0</b>	-30.0		0.0	
	Operating income (loss)	0.0	<b>-14.0</b>	-14.0		+6.0	
Total	Net sales	3,693.5	<b>3,400.0</b>	-293.5	-8%	0.0	
	Operating income (loss)	35.4	<b>140.0</b>	+104.6		0.0	
	ROS	1.0%	<b>4.1%</b>	+3.1%pt		0.0%	

• The actual business results of FY2018 have been reclassified to the current organizational structure as of April 1, 2019, but this is unaudited information and subject to change. Subsequent disclosure will be provided when finalized.

# Appendix

# Capital Expenditure (Commitment Basis)

Capital Expenditure (Commitment Basis)	FY2018 Actual	FY2019 Forecast	FY2019/Q1 Actual	Major Items in FY2019/Q1	(Yen in billions)
Energy Systems & Solutions	31.5	20.0	2.3		
Infrastructure Systems & Solutions	18.1	30.0	5.5	Expenditure on facilities related to automotive motors	
Building Solutions	24.3	21.0	4.9		
Retail & Printing Solutions	7.6	10.0	1.9		
Electronic Devices & Storage Solutions	33.5	35.0	11.2	Expenditure on production facilities of Discrete semiconductors and high-capacity HDDs for enterprises	
Digital Solutions	2.1	4.0	0.4		
Others	32.1	40.0	2.9		
<b>Total</b>	149.2	160.0	29.1		
<b>Investments and loans</b>	3.5	20.0	0.6		

# Energy Systems & Solutions Results Breakdown

(Yen in billions)

		FY2018 Actual	FY2019 Forecast	Difference	(growth rate)	vs. previous forecast announced on May 13
Energy Systems & Solutions	Net sales	652.7	<b>580.0</b>	-72.7	-11%	-10.0
	Operating income (loss)	-24.0	<b>24.0</b>	+48.0		-4.0
	ROS	-3.7%	<b>4.1%</b>	+7.8%pt		-0.6%pt
Nuclear Power Systems	Net sales	169.1	<b>167.0</b>	-2.1	-1%	0.0
	Operating income (loss)	15.5	<b>13.3</b>	-2.2		+0.6
	ROS	9.2%	<b>8.0%</b>	-1.2%pt		+0.4%pt
Thermal & Hydro Power Systems	Net sales	279.7	<b>227.9</b>	-51.8	-19%	-7.7
	Operating income (loss)	-12.0	<b>2.6</b>	+14.6		-6.1
	ROS	-4.3%	<b>1.1%</b>	+5.4%pt		-2.6%pt
Transmission & Distribution Systems	Net sales	213.1	<b>210.4</b>	-2.7	-1%	+2.8
	Operating income (loss)	-12.2	<b>13.1</b>	+25.3		+0.8
	ROS	-5.7%	<b>6.2%</b>	+11.9%pt		+0.3%pt
Other	Net sales	-9.2	<b>-25.3</b>	-16.1		-5.1
	Operating income (loss)	-15.3	<b>-5.0</b>	+10.3		+0.7

- The actual business results of FY2018 have been reclassified to the current organizational structure as of April 1, 2019, but this is unaudited information and subject to change. Subsequent disclosure will be provided when finalized.

# Infrastructure Systems & Solutions Results Breakdown

## Building Solutions

		FY2018 Actual	FY2019 Forecast	Difference (growth rate)		vs. previous forecast announced on May 13	(Yen in billions)
Infrastructure Systems & Solutions	Net sales	733.5	<b>690.0</b>	-43.5	-6%	0.0	
	Operating income (loss)	30.3	<b>41.0</b>	+10.7		+1.0	
	ROS	4.1%	<b>5.9%</b>	+1.8%pt		+0.1%pt	
Public Infrastructure	Net sales	409.1	<b>406.0</b>	-3.1	-1%	0.0	
	Operating income (loss)	27.3	<b>26.6</b>	-0.7		+0.5	
	ROS	6.7%	<b>6.6%</b>	-0.1%pt		+0.2%pt	
Railways and Industrial Systems	Net sales	395.1	<b>376.8</b>	-18.3	-5%	0.0	
	Operating income (loss)	3.0	<b>14.7</b>	+11.7		+1.2	
	ROS	0.8%	<b>3.9%</b>	+3.1%pt		+0.3%pt	
Building Solutions	Net sales	557.0	<b>590.0</b>	+33.0	+6%	0.0	
	Operating income (loss)	16.9	<b>36.0</b>	+19.1		0.0	
	ROS	3.0%	<b>6.1%</b>	+3.1%pt		0.0%pt	
Elevator		217.3	<b>234.4</b>	+17.1	+8%	-0.2	
Lighting	Net sales	144.3	<b>147.1</b>	+2.8	+2%	-2.2	
Air Conditioning		199.3	<b>209.0</b>	+9.7	+5%	0.0	

- The actual business results of FY2018 have been reclassified to the current organizational structure as of April 1, 2019, but this is unaudited information and subject to change. Subsequent disclosure will be provided when finalized.

# Electronic Devices & Storage Solutions Results Breakdown

(Yen in billions)

	FY2018 Actual	<b>FY2019 Forecast</b>	Difference	(growth rate)	vs. previous forecast announced on May 13	
Electronic Devices & Storage Solutions	Net sales	933.0	<b>840.0</b>	-93.0	-10%	-10.0
	Operating income (loss)	12.5	<b>47.0</b>	+34.5		-2.0
	ROS	1.3%	<b>5.6%</b>	+4.3%pt		-0.2%pt
Semiconductor*1	Net sales	354.9	<b>337.0</b>	-17.9	-5%	-6.0
	Operating income (loss)	0.2	<b>29.0</b>	+28.8		-1.0
	ROS	0.1%	<b>8.6%</b>	+8.5%pt		-0.1%pt
HDDs & Others*2	Net sales	578.1	<b>503.0</b>	-75.1	-13%	-4.0
	Operating income (loss)	12.3	<b>18.0</b>	+5.7		-1.0
	ROS	2.1%	<b>3.6%</b>	+1.5%pt		-0.1%pt

\*1 Including sales of discrete semiconductors, systems LSIs, and those by NuFlare Technology(NFT)

\*2 Including sales of HDD, Materials & Devices, and resale of memory products

- The actual business results of FY2018 have been reclassified to the current organizational structure as of April 1, 2019, but this is unaudited information and subject to change. Subsequent disclosure will be provided when finalized.

**TOSHIBA**