

TOSHIBA

**FY2019 Consolidated Business Results
Supplementary material
for FY2020 Forecast**

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June 5, 2020

Forward-looking Statements

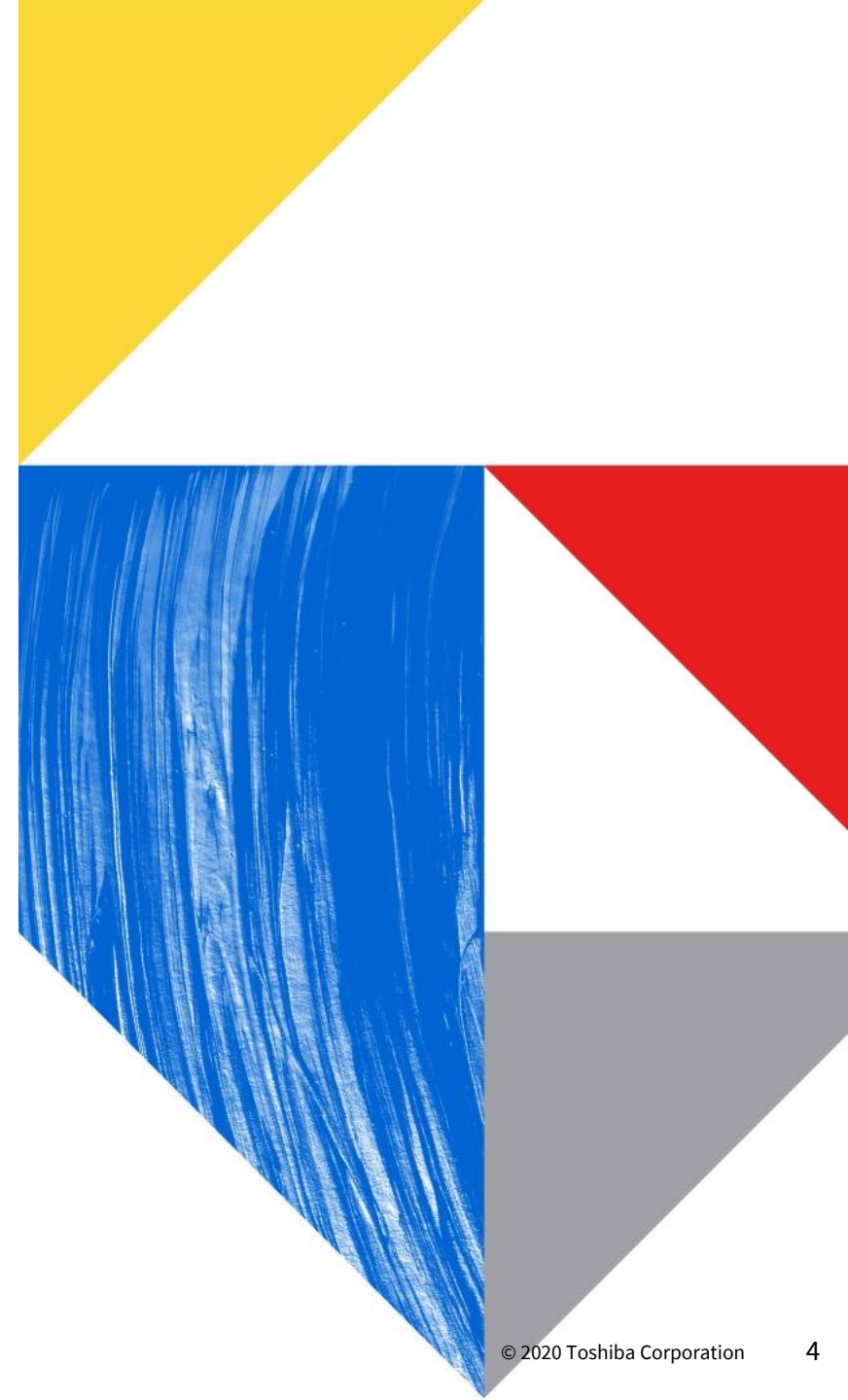
- This presentation contains forward-looking statements concerning future plans, strategies, and the performance of Toshiba Corporation (hereinafter “Toshiba” or “the Company”) and its consolidated subsidiaries (hereinafter “Toshiba Group” or “the Group”).
- These forward-looking statements are not historical 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. Please refer to the annual securities report (*Yuukashoken houkokusho*) and the quarterly securities report (*Shihanki houkokusho*) for detailed information on Toshiba Group’s business risk. Both the annual securities report and the quarterly securities report are issued in Japanese only.
- 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 fiscal year 2019, unless otherwise stated.
- Results in segments have been reclassified to reflect the current organizational structure as of March 31, 2020, unless otherwise stated.
- Since Toshiba is not involved in the management of Kioxia Holdings (Formerly “Toshiba Memory Holdings”, and hereinafter “Kioxia”) and is not provided any forecasted business results, Toshiba Group’s forward-looking statements concerning financial conditions, results of operation and cash flow, do not include the impact of Kioxia.

Agenda

- 01 Overall Business Results**
- 02 Business Results by Segment**
- 03 Supplementary Information**
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- 05 Toshiba's New Business Segments**

01

Overall Business Results



FY2019 Income (Loss) Items

Achieved the first year target of Toshiba Next Plan, excluding impact of COVID-19

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

	FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	Contributing Factors
					(↗): Better (↘): Worse
Net sales	3,693.5	3,389.9	-10.1	-303.6	(↗) Infrastructure Systems & SL* Building SL, Retail & Printing SL
Growth rate			-0%	-8%	(↘) Energy Systems & SL, Electronic Devices & Storage SL, Digital SL, Others Impact of exchange rate changes -33.2
Core operating income (loss) *1	80.5	161.6	+10.6	+81.1	(↗) Energy Systems & SL, Infrastructure Systems & SL, Building SL, Digital SL, Electronic Devices & Storage SL, Retail & Printing SL, Others
ROS	2.2%	4.8%	+0.4%pt	+2.6%pt	(↘) Impact of exchange rate changes -7.4
① Restructuring cost etc.	-45.1	-10.8	+0.2	+34.3	(↗) Energy Systems & SL, Electronic Devices & Storage SL, Building SL, Others
② Impact of COVID-19	0.0	-20.3	-20.3	-20.3	(↘) Electronic Devices & Storage SL, Retail & Printing SL, Building SL, Others
Operating income (loss)	35.4	130.5	-9.5	+95.1	(↗) Core operating income (loss) +81.1, Restructuring cost, etc. +34.3
ROS	1.0%	3.8%	-0.3%pt	+2.8%pt	(↘) Impact of COVID-19 -20.3
EBITDA *2	113.9	210.1	-9.9	+96.2	
EBITDA margin	3.1%	6.2%	-0.3%pt	+3.1%pt	
Income (loss) from continuing operations before income taxes and noncontrolling interests	10.9	-47.5	not officially announced	-58.4	(↘) Loss from the transfer of LNG Business -89.2 Change in equity earnings from Kioxia -70.0 (FY2018 Actual 3.3 → FY2019 Actual -66.7)
Net income (loss)	1,013.3	-114.6	not officially announced	-1,127.9	(↘) -1,026.9 due to the gain from discontinued operations including the gain from the sale of Memory business in FY2018
Earnings (loss) per share attributable to shareholders of the Company	1,641.85 yen	-236.39 yen	not officially announced	-1,878.24 yen	

* "SL": Solutions

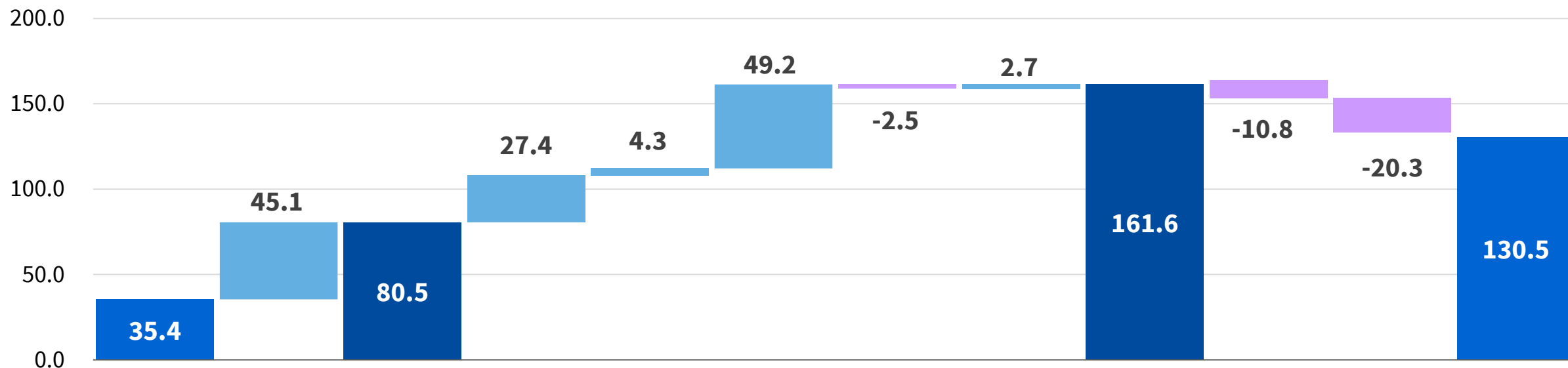
*1 Core operating income (loss) means operating income (loss) excluding restructuring cost, etc. and impact of COVID-19.

*2 EBITDA = Operating income (loss) + Depreciation

Operating Income (Loss), FY2018 to FY2019 Analysis

Core operating income doubled due to restructuring and procurement reform

(Yen in billions)



vs. previous forecast on May 13, 2019	±0.0	±0.0	±0.0	+2.4	-0.7	+0.2	+7.5	* +1.2	+10.6	+0.2	-20.3	-9.5
vs. previous forecast on Feb. 14, 2020	±0.0	±0.0	±0.0	+0.4	+0.3	+0.2	+5.5	+4.2	+10.6	+0.2	-20.3	-9.5
FY2018 Actual												
Onetime factors												
FY2018 Core operating income												
Procurement Reform												
Sales Reform												
Restructuring												
Group-wide Measures (IT, DX, etc.)												
Increase/Decrease in sales, etc.												
FY2019 Core operating income												
Restructuring Cost etc.												
Impact of COVID-19												
FY2019 Actual												

* Including Risk buffer +20.0 billion yen (Previous forecast on May 13, 2020 -20.0 → Actual 0.0)

Impact of COVID-19 (impact on FY19 performance)

Business Segment	Major Reasons	Financial Impact
Devices & Storage	Delays in installing semiconductor manufacturing equipment for the China market, and decreased demand of devices	-11.9 B yen
Retail & Printing	Delay in delivery, by lockdown in China	-5.0 B yen
Building	Delays in manufacturing, installation work, etc.	- 2.0 B yen
Others		-1.4 B yen
Total		-20.3 B yen

Non-operating Income (Loss) and Expenses

Lower non-operating income mainly due to equity losses from Kioxia and the transfer of the LNG business

(Yen in billions)

	FY2018	FY2019	Difference
Net financial income (loss)	-4.3	-1.1	+3.2
Foreign exchange income (loss)	-1.9	-4.7	-2.8
Income (loss) on sale or disposal of fixed assets	-4.7	-2.1	+2.6
Income (loss) on sale of securities	-4.3	1.3	+5.6
Settlement costs of lawsuits	-18.2	-9.9	+8.3
Equity in earnings (losses) of affiliates	12.9	-59.0	^{*1} -71.9
Others	^{*2} -4.0	^{*3} -102.5	-98.5
Total	-24.5	-178.0	-153.5

*1 Change in equity earnings from Kioxia : -70.0
(FY2018 Actual 3.3 → FY2019 Actual -66.7)

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

*3 Loss from the transfer of LNG Business: -89.2

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

FY2019 Cash Flow/Balance Sheet Items

(Yen in billions)

	FY2018	FY2019	Difference	Contributing Factors
Free cash flows	1,430.3	-264.7	-1,695.0	(↓) Cash flows related to the sale of Memory business -1,466.8 Onetime factors -201.9
	2019/3E	2020/3E	Difference	Contributing Factors
Equity attributable to shareholders of the Company	1,456.7	939.8	-516.9	(↓) Net income (loss) -114.6 Amount of share repurchase -300.2 Impact of 3 listed subsidiaries' TOB -69.0
Shareholders' equity ratio	33.9%	27.8%	-6.1%pt	
Net interest-bearing debt *	-900.8	18.2	+919.0	(↓) Free cash flows -264.7 Amount of share repurchase -300.2
Net debt-to-equity ratio	-62%	2%	+64%pt	Increase in operating lease liabilities due to change of accounting standard -158.7 Impact of 3 listed subsidiaries' TOB -161.4
Net interest-bearing debt *	-900.8	-140.5	+760.3	
Net debt-to-equity ratio (Excluding operating leases liabilities)	-62%	-15%	+47%pt	
Exchange rate(US\$) as of the period-end	111 yen	109 yen	-2 yen	

(↑): Better
(↓): Worse

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

Free Cash Flows

YoY maintained CF from operating activities, excluding CF from the Memory business and other onetime factors

		FY2018	FY2019	Difference	(Yen in billions)
	Cash flows from operating activities	124.9	-142.1	-267.0	
	Cash flows from investing activities	1,305.4	-122.6	-1,428.0	
	Free cash flows	1,430.3	-264.7	-1,695.0	
(Reference)					
Cash flows related to the Memory business *	Cash flows from operating activities	73.5	0.0	-73.5	
	Cash flows from investing activities	*1 1,393.3	0.0	-1,393.3	
	Free cash flows	1,466.8	0.0	-1,466.8	
Onetime factors *	Cash flows from operating activities	0.0	*2 -201.9	-201.9	
	Cash flows from investing activities	0.0	0.0	0.0	
	Free cash flows	0.0	-201.9	-201.9	
Cash flows excluding the Memory business and onetime factors *	Cash flows from operating activities	51.4	59.8	+8.4	
	Cash flows from investing activities	-87.9	-122.6	-34.7	
	Free cash flows	-36.5	-62.8	-26.3	

EBITDA → CF from operating activities	
EBITDA	210.1
Loss making projects, Advanced payment etc.	-75.3
Non-operating income (loss)	-22.1
Tax	-22.9
Others	-30.0
CF from operating activities	59.8

*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.

*1 Proceeds from sale, Capital expenditure

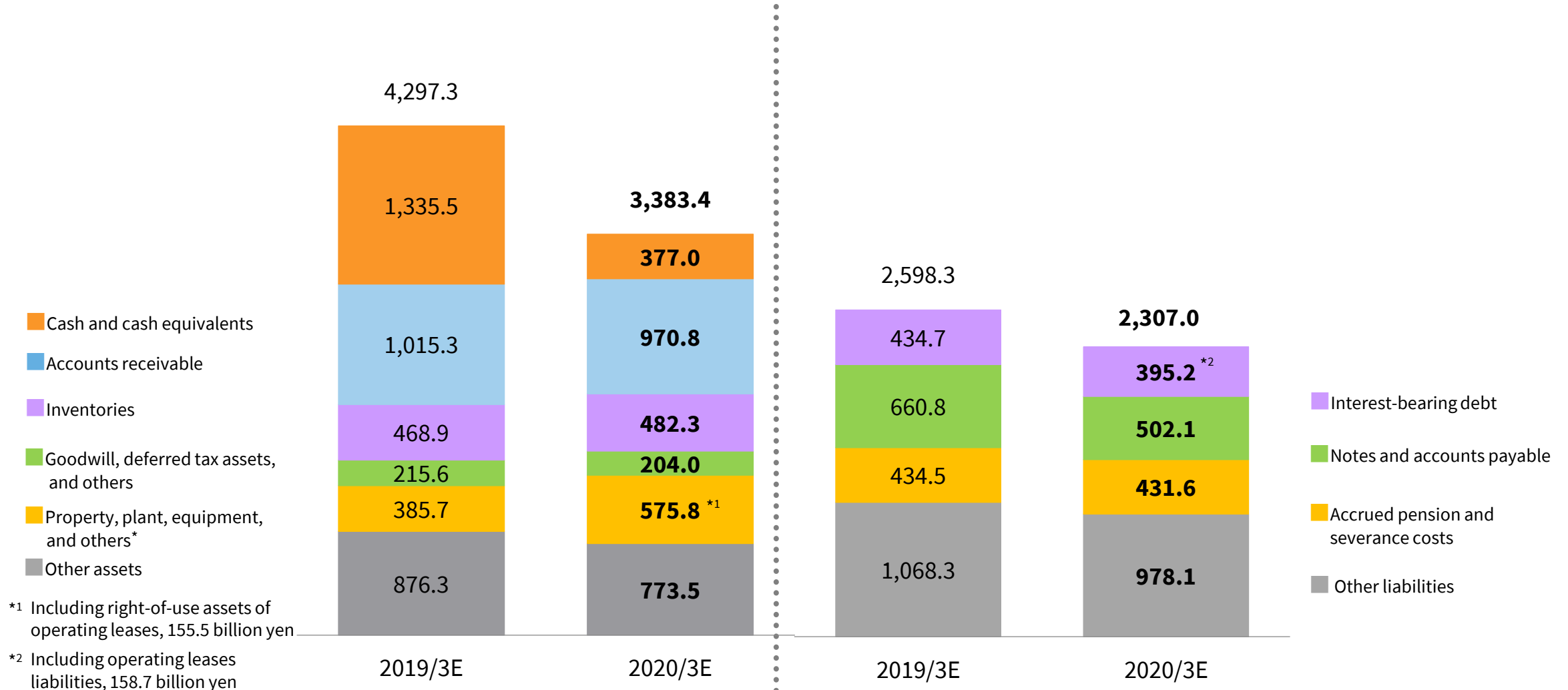
*2 Loss from the transfer of LNG business, Impact of trade term improvements on behalf of subcontractors, Payment shift

Balance Sheet

(Yen in billions)

Assets

Liabilities



*1 Including right-of-use assets of operating leases, 155.5 billion yen

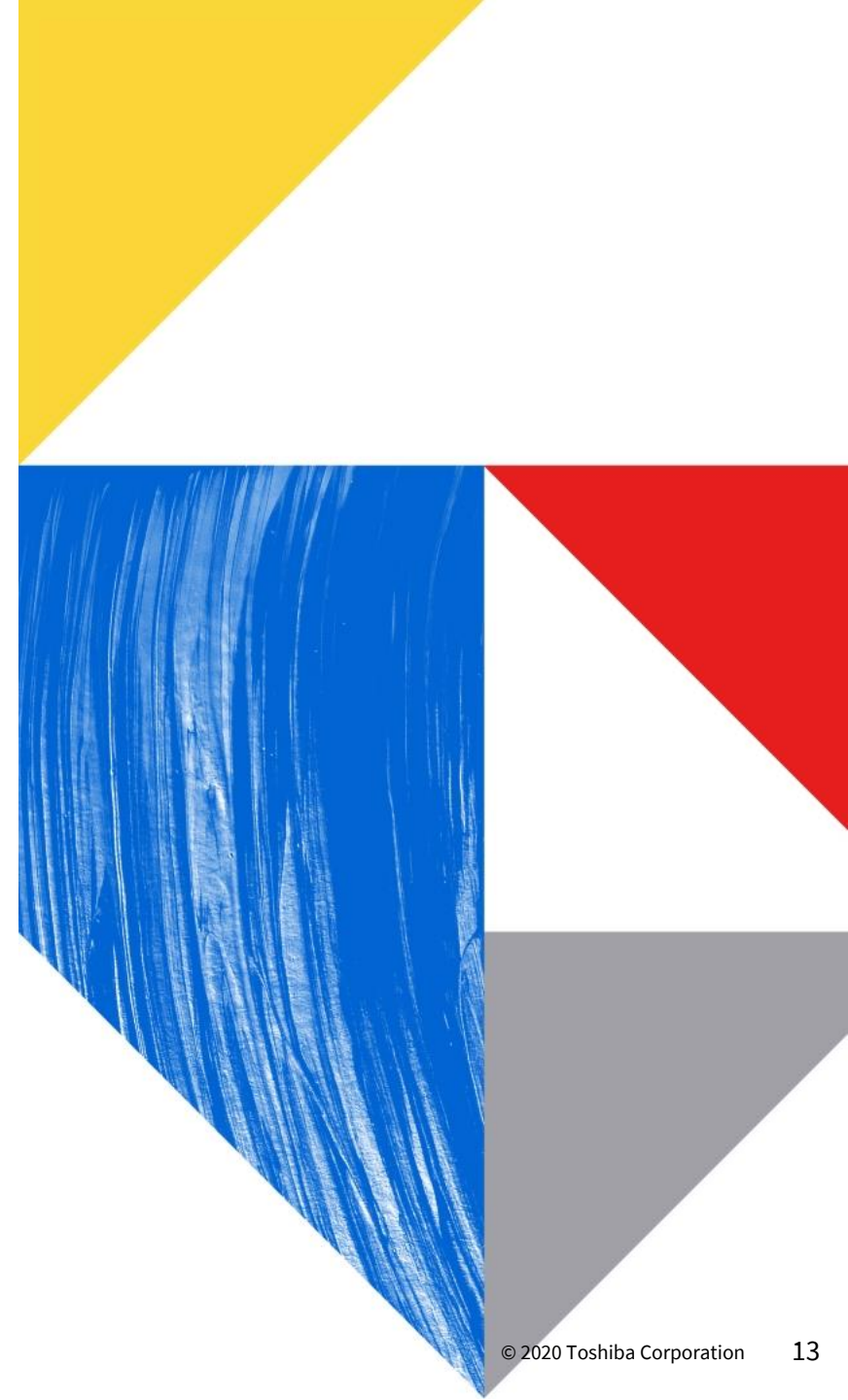
*2 Including operating leases liabilities, 158.7 billion yen

FY2019 Detailed Items

	FY2018	FY2019	Difference	(Yen in billions, except earnings (loss) per share)
Net sales	3,693.5	3,389.9	-303.6	
Operating income (loss)	35.4	130.5	+95.1	
Non-operating income (loss)	-24.5	-178.0	-153.5	
Income (loss) from continuing operations before income taxes and noncontrolling interests	10.9	-47.5	-58.4	
Tax expenses	-15.5	* -35.2	-19.7	* The Tax expense primarily arises from subsidiaries with taxable income, outside of the Toshiba consolidated tax group
Net income (loss) from continuing operations before noncontrolling interests	-4.6	-82.7	-78.1	
Net income (loss) from discontinued operations before noncontrolling interests	1,040.2	-13.8	-1,054.0	
Net income (loss) attributable to noncontrolling interests	-22.3	-18.1	+4.2	
Net income (loss)	1,013.3	-114.6	-1,127.9	
Earnings (loss) per share attributable to shareholders of the Company	1,641.85 yen	-236.39 yen	-1,878.24 yen	
Free cash flows	1,430.3	-264.7	-1,695.0	
	2019/3E	2020/3E	Difference	
Equity attributable to shareholders of the Company	1,456.7	939.8	-516.9	
Shareholders' equity ratio	33.9%	27.8%	-6.1%pt	
Net assets	1,699.0	1,076.4	-622.6	
Net interest-bearing debt	-900.8	18.2	+919.0	
Net debt-to-equity ratio	-62%	2%	+64%pt	
Exchange rate(US\$) as of the period-end	111 yen	109 yen	-2 yen	

02

Business Results by Segment



FY2019 Consolidated Business Results by Segment

Achieved all business segment results in positive

		FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	vs. previous forecast announced on Feb. 14, 2020	(Yen in billions)
Energy Systems & Solutions	Net sales	652.7	568.8	-21.2	-83.9	-1.2	
	Operating income (loss)	-24.0	31.8	+3.8	+55.8	+3.8	
	ROS	-3.7%	5.6%	+0.9%pt	+9.3%pt	+0.7%pt	
Infrastructure Systems & Solutions	Net sales	733.5	735.0	+45.0	+1.5	-5.0	
	Operating income (loss)	30.3	47.7	+7.7	+17.4	+1.7	
	ROS	4.1%	6.5%	+0.7%pt	+2.4%pt	+0.3%pt	
Building Solutions	Net sales	557.0	570.1	-19.9	+13.1	-9.9	
	Operating income (loss)	16.9	29.1	-6.9	+12.2	-0.9	
	ROS	3.0%	5.1%	-1.0%pt	+2.1%pt	-0.1%pt	
Retail & Printing Solutions	Net sales	485.4	490.4	+0.4	+5.0	-9.6	
	Operating income (loss)	20.2	14.5	-7.5	-5.7	-4.5	
	ROS	4.2%	3.0%	-1.5%pt	-1.2%pt	-0.8%pt	
Electronic Devices & Storage Solutions	Net sales	933.0	745.6	-104.4	-187.4	-24.4	
	Operating income (loss)	12.5	13.4	-35.6	+0.9	-15.6	
	ROS	1.3%	1.8%	-4.0%pt	+0.5%pt	-2.0%pt	
Digital Solutions	Net sales	253.1	252.4	-7.6	-0.7	+2.4	
	Operating income (loss)	8.1	16.8	+3.8	+8.7	+0.8	
	ROS	3.2%	6.7%	+1.7%pt	+3.5%pt	+0.3%pt	
Others	Net sales	412.4	321.5	+31.5	*1 -90.9	-	*1 Impact of deconsolidation of PC business -79.4
	Operating income (loss)	-33.8	-29.8	-1.8	*2 +4.0	-	
Eliminations	Net sales	-333.6	-293.9	+66.1	+39.7	-	*2 Impact of deconsolidation of PC business +4.7
	Operating income (loss)	5.2	7.0	+27.0	+1.8	-	
Total	Net sales	3,693.5	3,389.9	-10.1	-303.6	-40.1	
	Operating income (loss)	35.4	130.5	-9.5	+95.1	-9.5	
	ROS	1.0%	3.8%	-0.3%pt	+2.8%pt	-0.3%pt	

Energy Systems & Solutions Results Breakdown

(Yen in billions)

	FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference		
Energy Systems & Solutions	Net sales	652.7	568.8	-21.2	-83.9	Impact of exchange rate changes: -5.8
	Operating income (loss)	-24.0	31.8	+3.8	+55.8	Impact of exchange rate changes: -0.1
	ROS	-3.7%	5.6%	+0.9%pt	+9.3%pt	Restructuring: +9.4
	FCF by segment		-135.4			
Nuclear Power Systems	Net sales	169.1	140.0	-27.0	-29.1	(↓) Lower sales in projects to enhance safety measures, Lower sales due to onetime factors in previous year
	Operating income (loss)	15.5	16.2	+3.5	+0.7	(↗) Settlement of the prior projects in overseas
	ROS	9.2%	11.6%	+4.0%pt	+2.4%pt	
Thermal & Hydro Power Systems	Net sales	279.7	222.5	-13.1	-57.2	(↓) Reduction in thermal power construction projects in Japan and in service related projects
	Operating income (loss)	-12.0	3.5	-5.2	+15.5	(↗) Reduction of unprofitable projects in Japan and improvement of profitability, etc.
	ROS	-4.3%	1.6%	-2.1%pt	+5.9%pt	(↓) Lower operating income due to lower sales, Deterioration of profitability in overseas projects
Transmission & Distribution Systems	Net sales	213.1	217.6	+10.0	+4.5	(↗) Higher sales in renewable energy business
	Operating income (loss)	-12.2	18.4	+6.1	+30.6	(↗) Higher operating income due to higher sales, Reduction in unprofitable projects
	ROS	-5.7%	8.5%	+2.6%pt	+14.2%pt	
Others	Net sales	-9.2	-11.3	+8.9	-2.1	
	Operating income (loss)	-15.3	-6.3	-0.6	+9.0	

* 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.

Infrastructure Systems & Solutions Results Breakdown

Building Solutions

(Yen in billions)

		FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	
Infrastructure Systems & Solutions	Net sales	733.5	735.0	+45.0	+1.5	Impact of exchange rate changes: -2.5
	Operating income (loss)	30.3	47.7	+7.7	+17.4	Impact of exchange rate changes: -0.7
	ROS	4.1%	6.5%	+0.7%pt	+2.4%pt	Restructuring: +5.0
	FCF by segment		-23.7			
Public Infrastructure	Net sales	409.1	423.2	+17.2	+14.1	(↗) Expansion of the defense and electronic systems business etc.
	Operating income (loss)	27.3	41.4	+15.3	+14.1	(↗) Higher operating income due to higher sales, Improved profitability due to the sales mix
	ROS	6.7%	9.8%	+3.4%pt	+3.1%pt	
Railways and Industrial Systems *1	Net sales	395.1	382.9	+6.1	-12.2	(↘) Reduction in low-margin projects in the industrial system business
	Operating income (loss)	3.0	6.3	-7.2	+3.3	(↗) Improved profitability due to changes in product mix
	ROS	0.8%	1.6%	-2.0%pt	+0.8%pt	
Others	Net sales	-70.7	-71.1	-	-0.4	
Building Solutions	Net sales	557.0	570.1	-19.9	+13.1	Impact of exchange rate changes: -9.6 (↗) Elevator and escalator (Japan, Overseas), Air conditioning (Japan, Overseas) (↘) Lighting
	Operating income (loss)	16.9	29.1	-6.9	+12.2	Impact of exchange rate changes: -3.6 Restructuring: +4.0
	ROS	3.0%	5.1%	-1.0%pt	+2.1%pt	(↗) Elevator and escalator (Japan, Overseas) Lighting
	FCF by segment		-22.8			
Elevator		217.3	232.9	-1.7	+15.6	
Lighting	Net sales	144.3	132.8	-16.5	-11.5	
Air Conditioning		199.3	208.1	-0.9	+8.8	

*1 Including loss from closed businesses

* 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

	FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	(Yen in billions)
Electronic Devices & Storage Solutions	Net sales	933.0	745.6	-104.4	-187.4 Impact of exchange rate changes: -7.2
	Operating income (loss)	12.5	13.4	-35.6	+0.9 Impact of exchange rate changes: -2.0
	ROS	1.3%	1.8%	-4.0%pt	+0.5%pt Restructuring: +20.0
	FCF by segment		-42.0		
Semiconductor ^{*1}	Net sales	354.9	295.8	-47.2	-59.1 (⬇) (D)(S) Slowdown in the global markets, Impact of COVID-19, (S) Reducing sales of unprofitable business, (N) Impact of COVID-19
	Operating income (loss)	0.2	1.3	-28.7	+1.1 (⬇) Lower operating income due to lower sales
	ROS	0.1%	0.4%	-8.3%pt	+0.3%pt (↗) (S) Restructuring, (N) Goodwill impairment in previous year +9.8
HDDs & Others ^{*2}	Net sales	578.1	449.8	-57.2	-128.3 (⬇) (H) Decreased in demand of mobile HDDs, Impact of COVID-19 (R) Change of sales channels -101.7
	Operating income (loss)	12.3	12.1	-6.9	-0.2 (⬇) Restructuring costs -4.9
	ROS	2.1%	2.7%	-1.0%pt	+0.6%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

(N): NuFlare Technology

(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

	FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	(Yen in billions)
Retail & Printing Solutions	Net sales	485.4	490.4	+0.4	+5.0 (↗) (R)Higher sales in Japan (↘) (R)Lower sales overseas, (P)Lower sales Impact of exchange rate changes: -8.1
	Operating income (loss)	20.2	14.5	-7.5	-5.7 Restructuring: +0.8 Impact of exchange rate changes: -1.0 (↗) (R)Higher operating income in Japan
	ROS	4.2%	3.0%	-1.5%pt	-1.2%pt (↘) (R)Lower operating income in overseas (P)Lower operating income
	FCF by segment		2.6		

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

	FY2018	FY2019	vs. previous forecast announced on May 13, 2019	Difference	
Digital Solutions	Net sales	253.1	252.4	-7.6	-0.7 (↗) System-related projects to the public sector (↘) Impact of transactions at TSC* ¹ -6.4 YoY 6.4 → 0.0 (Adjustment in FY19: -21.5) Impact of exchange rate changes: ±0.0
	Operating income (loss)	8.1	16.8	+3.8	+8.7 Restructuring: +5.0 Impact of exchange rate changes: ±0.0 (↗) Higher operating income due to higher sales
	ROS	3.2%	6.7%	+1.7%pt	+3.5%pt (↘) Impact of transactions at TSC* ¹ -1.2 YoY 0.3 → -0.9 (Adjustment in FY19: -0.9, Adjustment in previous years: -0.9)
	FCF by segment		8.3		

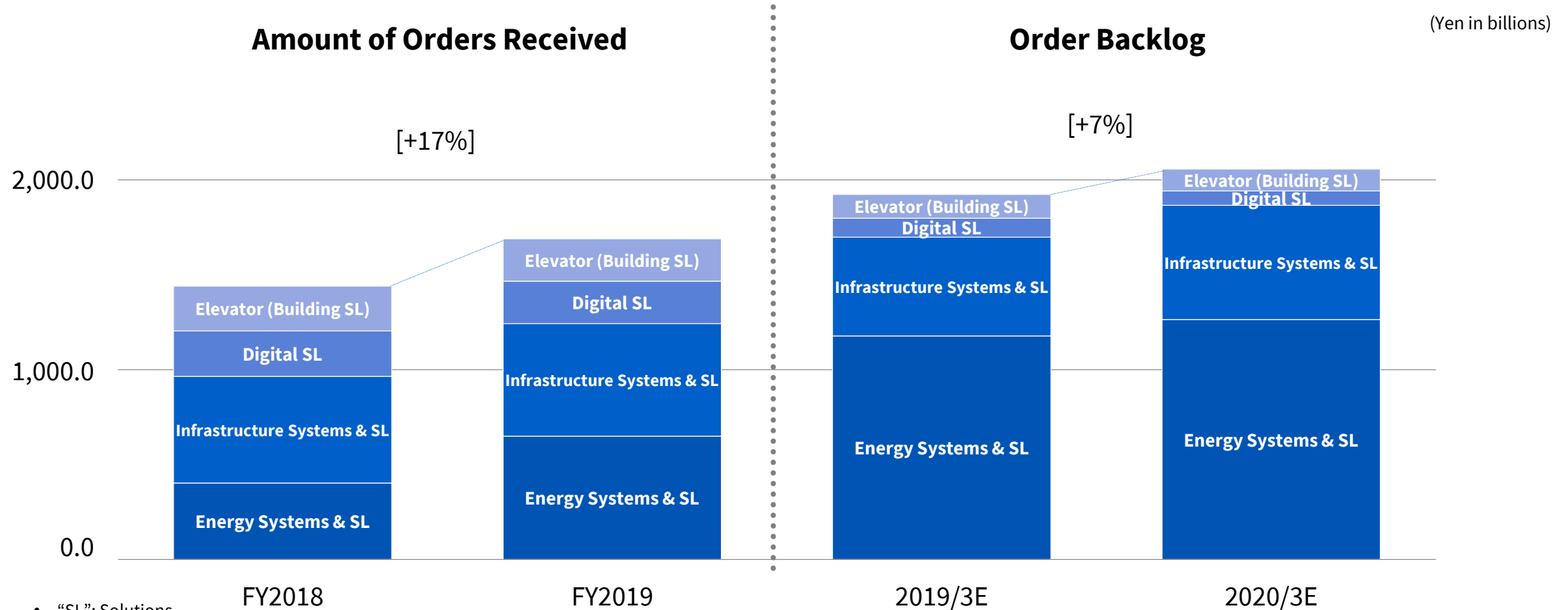
TSC: Toshiba IT-Services Corporation

* 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.

*1 These are transactions in Toshiba IT-Services Corporation, which were disclosed February 14, 2020. 6.4 billion yen in net sales and 0.3 billion yen in operating profit were included in FY2018 as these transactions. Adjustments of -21.5 billion yen(FY19/Q1-Q2) in net sales and -1.8 billion yen(-0.9 billion yen in FY19/Q1-Q2, -0.9 billion yen in FY18 and before) in operating profit were made in FY2019.

Amount of Orders Received, Order Backlog

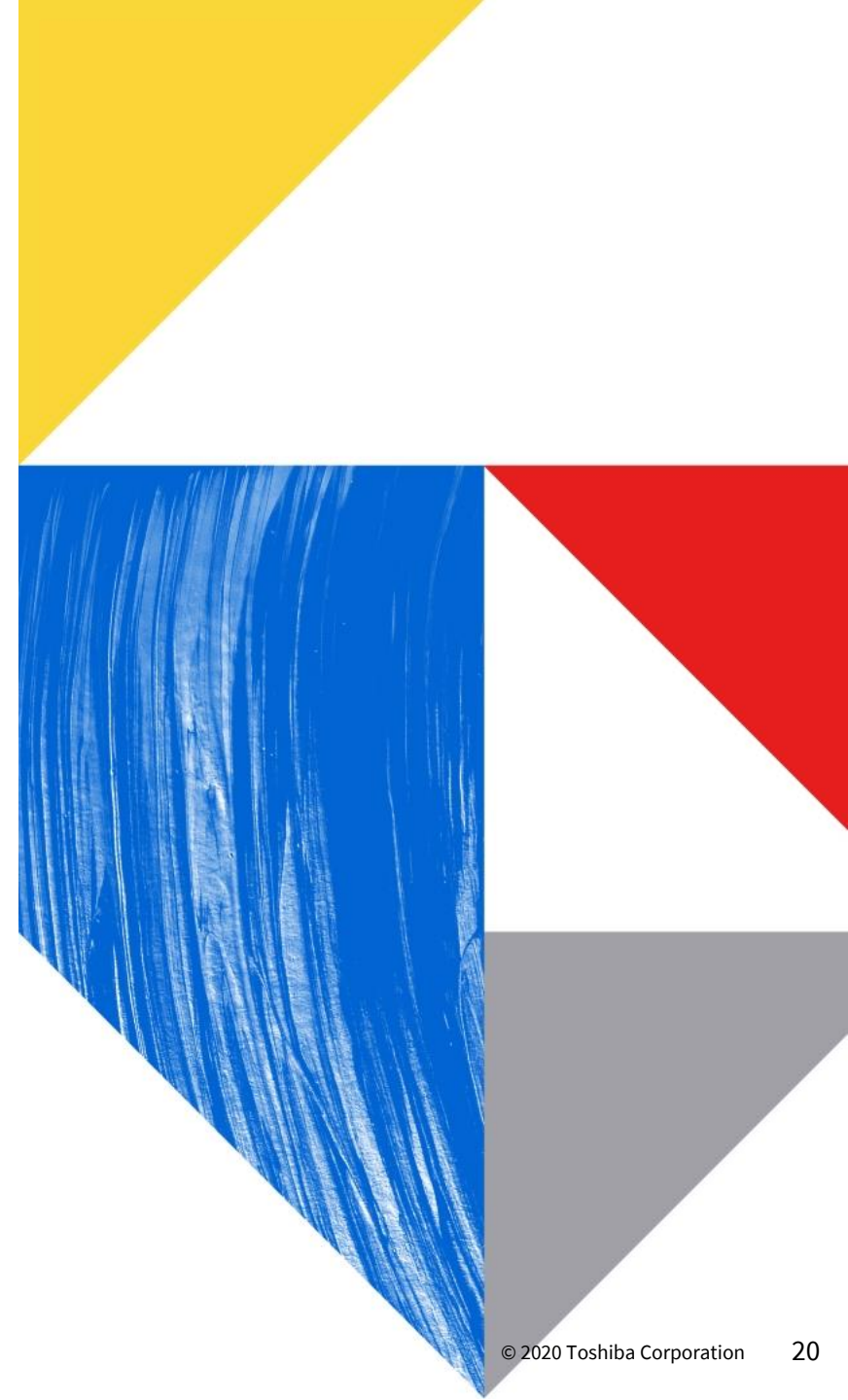
Amount of orders received and order backlog steadily increased



- “SL”: Solutions
- Energy Systems & Solutions order backlog for FY2018 excludes projects that have now been canceled.
- Amount of orders received and Order backlog is a metric for in-house management only, and it differs from remaining performance obligations, which are disclosed in the annual securities report (*Yuukashoken houkokusho*).

03

Supplementary Information



Equity Earnings (Losses) from Kioxia

		Equity earnings (losses)	Impact of PPA included	Impact of blackout included	(Yen in billions) Excluding special factors
FY2018	Q1 Actual (only in 2018/6)	12.2			12.2
	Q2 Actual	33.0			33.0
	Q3 Actual	-37.7	-56.3		18.6
	Q4 Actual	-4.2	-7.4		3.2
FY2019	Q1 Actual	-38.1	-8.0	-9.6	-20.5
	Q2 Actual	-23.2	-7.9	-0.1	-15.2
	Q3 Actual	-9.6	-8.1	0.3	-1.8
	Q4 Actual	4.2	-7.6		11.8

[Forecast]

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

→ The FY2020 forecast is disclosed for reference only, which does not include the forecasted equity earnings (losses) of Kioxia.

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

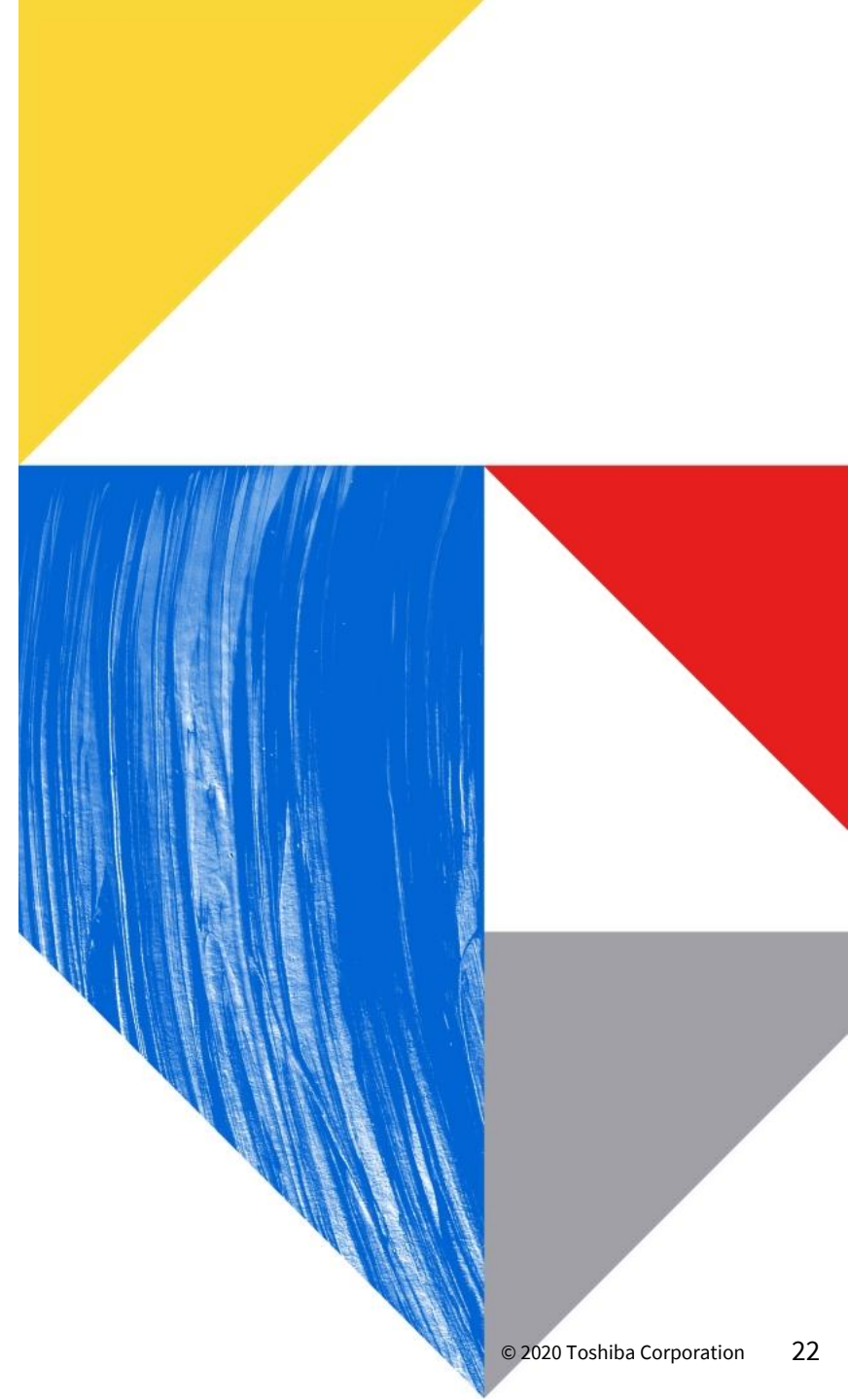
(Reference) Bit Growth and change in ASP

		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
FY2019	Q1 Actual	Increased lower-single digit %	Decreased mid-10% range
	Q2 Actual	Increased lower-20% range	Decreased mid-single digit %
	Q3 Actual	Increased higher-single digit %	Increased mid-single digit %
	Q4 Actual	Increased lower-single digit %	Increased mid-single digit %

Data provided by Kioxia

04

FY2020 Forecast

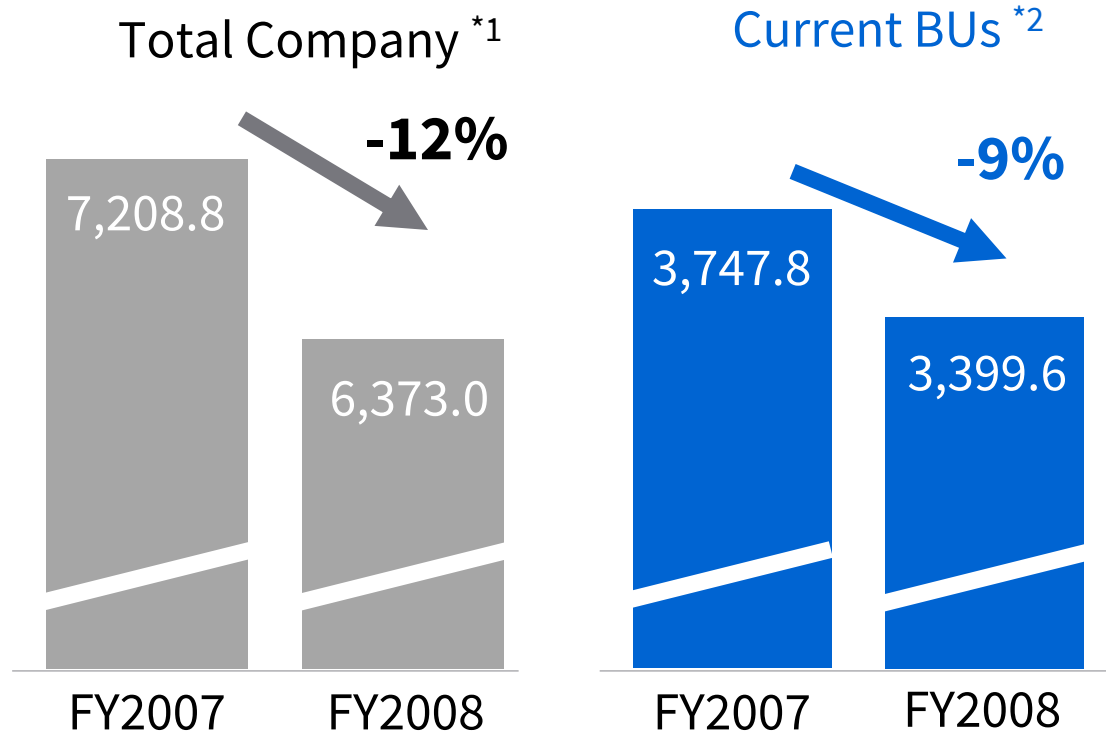


Reflecting on the Financial Crisis (Lehman Shock)

Net sales declined by only 9%,
demonstrating the resiliency of Toshiba's businesses

(Yen in billions)

Net Sales Impact



Net sales of current BUs

	FY2007 ^{*3}	FY2008	Difference
Energy Systems & Solutions	575.4	658.5	+14%
Infrastructure Systems & Solutions	792.7	730.7	-8%
Building Solutions	617.8	558.5	-10%
Retail & Printing Solutions	513.3	436.1	-15%
Electric Devices & Storage Solutions	1,155.5	870.5	-25%
Digital Solutions	302.9	285.4	-6%

^{*1} Includes the Memory, LCD, PC, TV, home appliances, image diagnosis, overseas nuclear power (Westinghouse) businesses

^{*2} Simple total amount of current businesses (FY2007 is for reference only and excludes the impact of any restatements)

^{*3} FY2007 is for reference only and excludes the impact of any restatements

Impact of COVID-19 and Resilience

Assumptions for Impact Calculations

Timing of recovery in manufacturing

China: April; Europe/US/Asia: June - July

Demand will remain low for **at least 1 year**
(same as the financial crisis)

No extreme exchange rate fluctuations

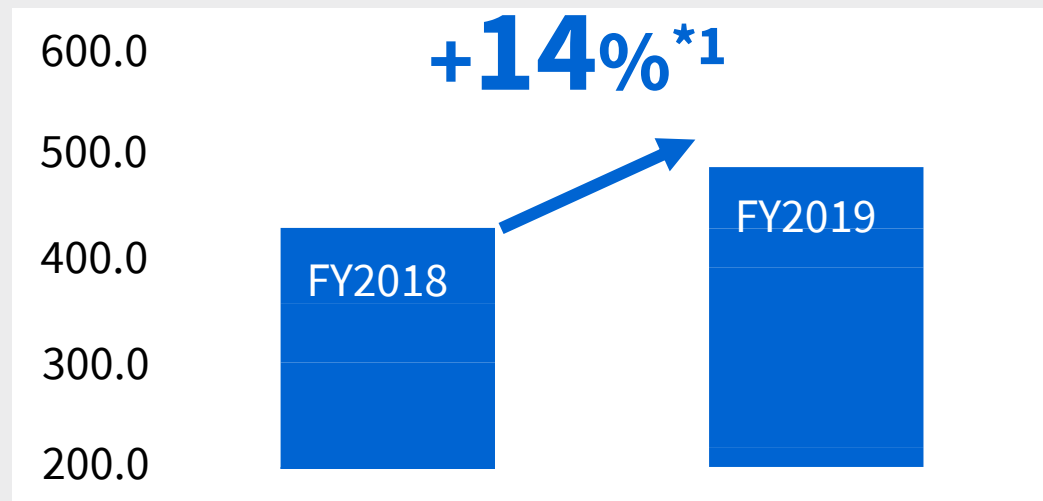
Limited economic impact by
a potential second wave of COVID-19

**Impact to Operating Income:
90.0 B yen (FY20)**

Current Situation

Order Received (Jan- Mar)

(Yen in billions)



- Impact of COVID-19 to Jan-Mar was approx. **10.0 B** yen
- Increase of 60.0 B yen in Energy

Overall

(Yen in billions)

	FY2019 Actual	FY2020 Forecast	Difference
Net sales	3,389.9	*1 3,180.0	-209.9
Growth rate			-6%
Core operating income (loss)	161.6	220.0	+58.4
ROS	4.8%	6.9%	+2.1%pt
Restructuring cost etc.	-10.8	-20.0	-9.2
Impact of COVID-19	-20.3	-90.0	-69.7
Operating income (loss)	130.5	110.0	-20.5
ROS	3.8%	3.5%	-0.3%pt
EBITDA	210.1	195.0	-15.1
EBITDA margin	6.2%	6.1%	-0.1%pt
Income (loss) from continuing * operations before income taxes and noncontrolling interests	-47.5	100.0	+147.5
Net income (loss) *	-114.6	50.0	+164.6
Free cash flows	-264.7	-90.0	+174.7

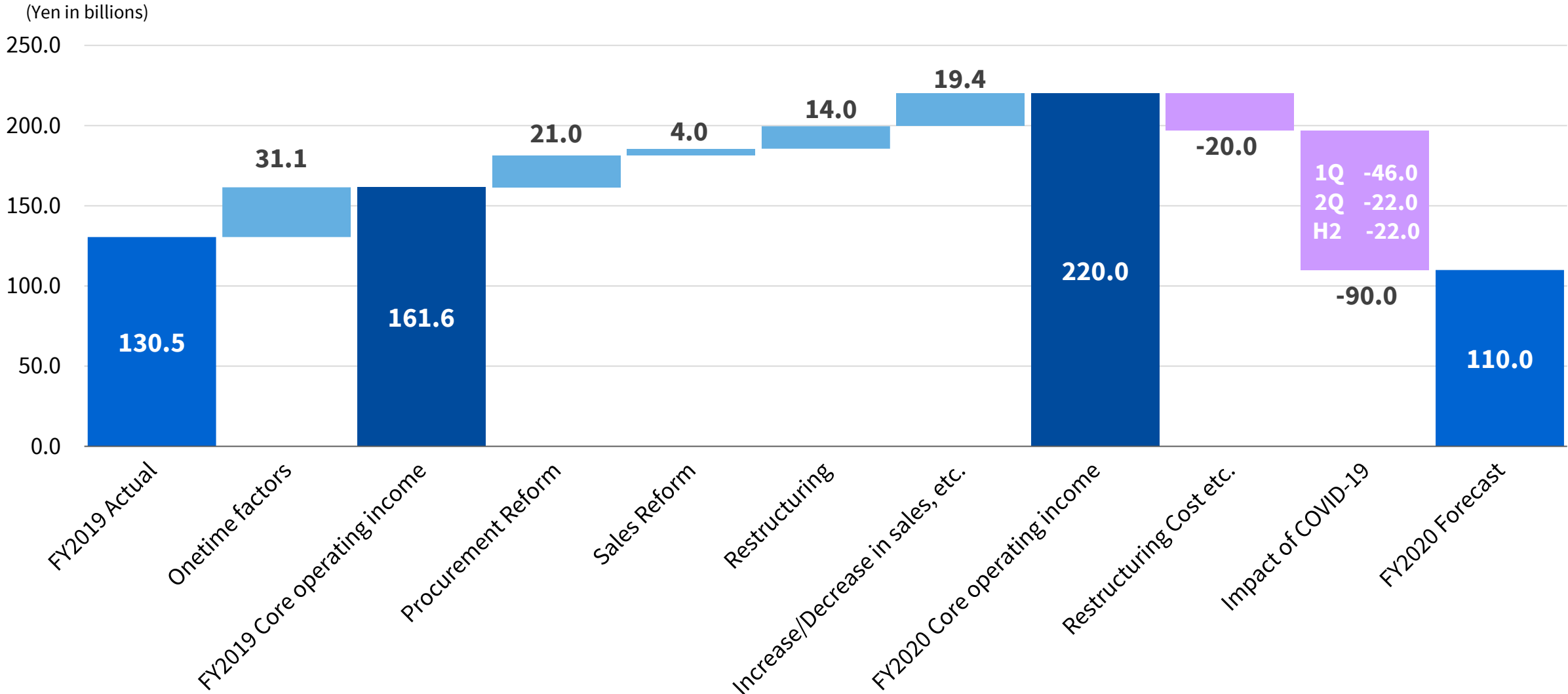
*1 Including impact of COVID-19 -280.0 billion yen

	2020/3E Actual	2021/3E Forecast	Difference
Equity attributable to shareholders of the Company	939.8	970.0	+30.2
Shareholders' equity ratio *	27.8%	27.7%	-0.1%pt
Net interest-bearing debt	18.2	160.0	+141.8
Net debt-to-equity ratio *	2%	16%	+14%pt
Exchange rate(US\$) as of the period-end	109 yen	105 yen	-4 yen

* This FY2020 forecast is disclosed for reference only, which does not include the forecasted equity earnings (losses) of Kioxia.

Operating Income (Loss), FY2019 to FY2020 Analysis

Core operating income forecasted to increased due to restructuring and procurement reform



Forecast by segment

		FY2019 Actual Operating income (loss)	FY2019 Actual Core operating income (loss)	FY2020 Forecast Core operating income (loss)	Difference Core operating income (loss)	growth rate	FY2020 Impact of COVID-19 by Segment	(Yen in billions)
Energy Systems & Solutions	Net sales	568.8	571.3	525.0	-46.3	-8%	-5.0	
	Operating income (loss)	31.8	33.4	36.0	+2.6		0.0	
	ROS	5.6%	5.8%	6.9%	+1.1%pt			
Infrastructure Systems & Solutions	Net sales	735.0	737.8	731.0	-6.8	-1%	-21.0	
	Operating income (loss)	47.7	48.7	52.0	+3.3		-4.0	
	ROS	6.5%	6.6%	7.1%	+0.5%pt			
Building Solutions	Net sales	570.1	578.9	595.0	+16.1	+3%	-45.0	
	Operating income (loss)	29.1	31.7	48.0	+16.3		-18.0	
	ROS	5.1%	5.5%	8.1%	+2.6%pt			
Retail & Printing Solutions	Net sales	490.4	503.3	480.0	-23.3	-5%	-70.0	
	Operating income (loss)	14.5	20.7	31.0	+10.3		-21.0	
	ROS	3.0%	4.1%	6.5%	+2.4%pt			
Electronic Devices & Storage Solutions	Net sales	745.6	769.4	867.0	+97.6	+13%	-117.0	
	Operating income (loss)	13.4	30.8	57.0	+26.2		-35.0	
	ROS	1.8%	4.0%	6.6%	+2.6%pt			
Digital Solutions	Net sales	252.4	252.8	249.0	-3.8	-2%	-19.0	
	Operating income (loss)	16.8	19.0	24.0	+5.0		-5.0	
	ROS	6.7%	7.5%	9.6%	+2.1%pt			
Others, Eliminations	Net sales	27.6	28.2	13.0	-15.2		-3.0	
	Operating income (loss)	-22.8	-22.7	-28.0	-5.3		-7.0	
Total	Net sales	3,389.9	3,441.7	3,460.0	+18.3	+1%	-280.0	
	Operating income (loss)	130.5	161.6	220.0	+58.4		-90.0	
	ROS	3.8%	4.7%	6.4%	+1.7%pt			
Restructuring cost etc. and Impact of COVID-19	Net sales		-51.8	-280.0	-228.2			
	Operating income (loss)		-31.1	-110.0	-78.9			

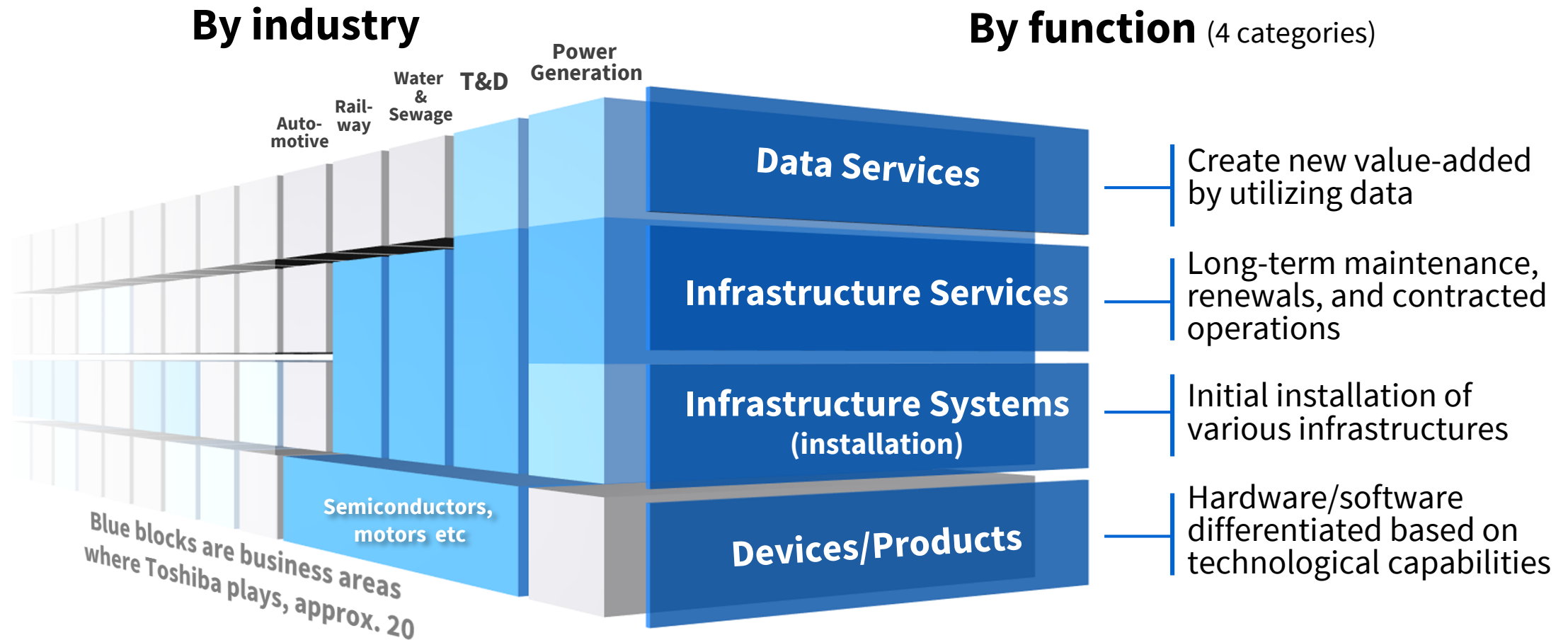
05

Toshiba's New Business Segments



Toshiba's Business Segments

Toshiba's diverse businesses can be categorized into four functions



Stable Growth of Infrastructure Services

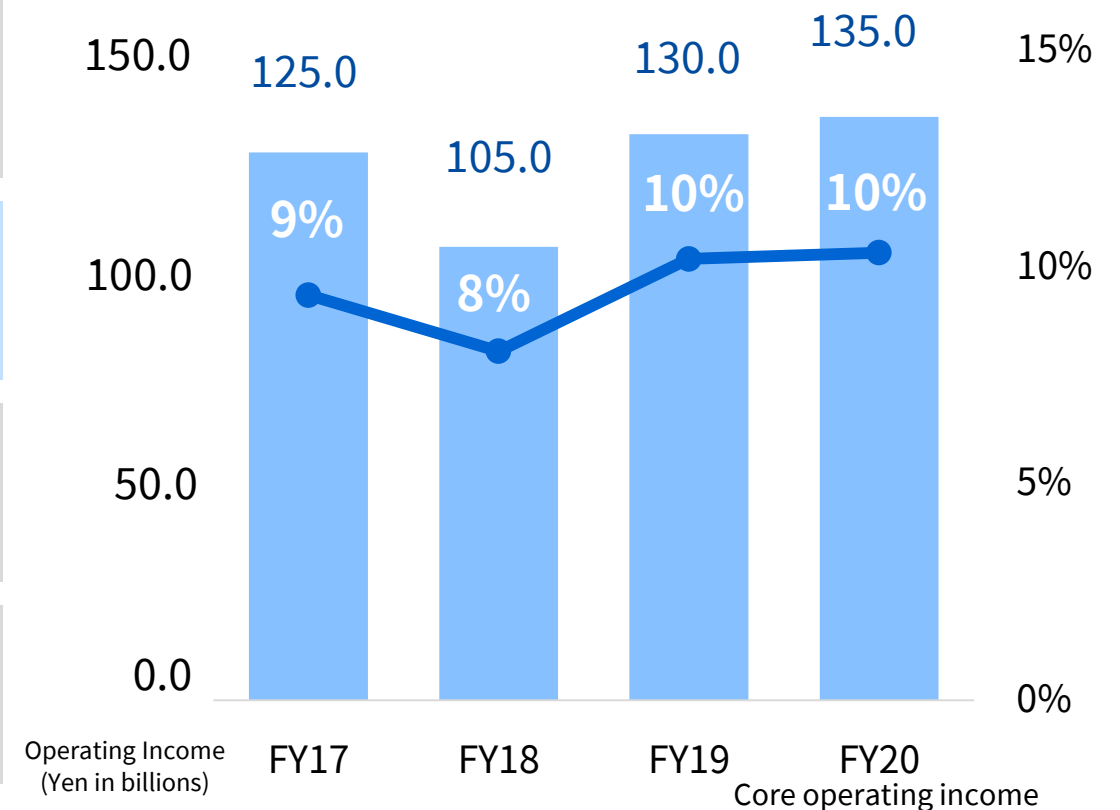
Infrastructure market expected to grow steadily at 5-7 % per annum*1

Profitability of each segment (FY19 Actual)*2

	(yen) Net Sales	ROS%	EBITDA
Data Service	10.0 B	—	—
Infrastructure Services	1.3 T	10 %	145.0 B
Infrastructure Systems (Installation)	0.8 T	2 %	30.0 B
Devices/Products	0.9 T	3 %	45.0 B

Stable Growth of Infrastructure Services

ROS% also growing steadily



*1: Estimate of total infrastructure service market to which Toshiba can access. Includes \$48.0 billion in Japan (5% CAGR) and \$1.1 trillion global market (7% CAGR) (Estimated by Toshiba by referring to various reports of Japan ministries and other sources).

*2: Excludes restructured business and restructuring cost, adjustments made for certain one off reimbursements.

Forward looking Disclosure Policy

Disclosure of new segments will be gradually implemented with a targeted effective date of May 2021

Next Steps

Disclosure Items

- June, 2020
- Steps to growth
 - Net sales, ROS, EBITDA

- November, 2020
- Simulation of managerial accounting including BS, ROIC

- April, 2021
- Starting operation in each business segment

- May, 2021
- Announce the target of new business segments

Forecast of new business segments (Plan)

(Yen in billions)

		FY2017	FY2018	FY2019	FY2020 Core operating income (loss)
Infrastructure Services	Net sales	1,350.0	1,300.0	1,280.0	1,300.0
	Operating income (loss)	125.0	105.0	130.0	135.0
	ROS	9%	8%	10%	10%
	EBITDA	140.0	120.0	145.0	155.0
Infrastructure Systems	Net sales	760.0	780.0	790.0	820.0
	Operating income (loss)	-35.0	-5.0	15.0	35.0
	ROS	-5%	-1%	2%	4%
	EBITDA	-20.0	10.0	30.0	55.0
Devices/Products	Net sales	940.0	940.0	890.0	980.0
	Operating income (loss)	60.0	20.0	30.0	60.0
	ROS	6%	2%	3%	6%
	EBITDA	75.0	35.0	45.0	80.0

* Above forecast does not include income (loss) of monitoring businesses and restructuring cost etc.

Appendix

Capital Expenditure (Commitment Basis)

(Yen in billions)

Capital Expenditure (Commitment Basis)	FY2018 Actual	FY2019 Actual	vs. previous forecast announced on Feb. 14	FY2019/Q4 Actual	Major Items in FY2019/Q4
Energy Systems & Solutions	31.5	14.4	- 3.6	7.1	Investment in facilities of geothermal power generation
Infrastructure Systems & Solutions	18.1	16.5	- 6.5	3.7	
Building Solutions	24.3	18.8	- 2.2	4.6	
Retail & Printing Solutions	7.6	7.5	- 2.5	2.6	
Electronic Devices & Storage Solutions	33.5	33.6	- 1.4	6.8	Investment in manufacturing equipment related to SiN(Ceramics) substrates
Digital Solutions	2.1	2.2	- 1.8	0.6	
Others	32.1	14.4	- 4.6	5.9	
Total	149.2	107.4	- 22.6	31.3	
Investments and loans	3.5	6.4	- 8.6		

Capital Expenditure (Commitment Basis)

(Yen in billions)

Capital Expenditure (Commitment Basis)	FY2019 Actual	FY2020 Forecast
Energy Systems & Solutions	14.4	17.0
Infrastructure Systems & Solutions	16.5	27.0
Building Solutions	18.8	20.0
Retail & Printing Solutions	7.5	10.0
Electronic Devices & Storage Solutions	33.6	43.0
Digital Solutions	2.2	3.0
Others	14.4	35.0
Total	107.4	155.0
Investments and loans	6.4	35.0

Energy Systems & Solutions Results Breakdown

(Yen in billions)

		FY2019 Actual Operating income (loss)	FY2019 Actual Core operating income (loss)	FY2020 Forecast Core operating income (loss)	Difference Core operating income (loss)	growth rate
Energy Systems & Solutions	Net sales	568.8	571.3	525.0	-46.3	-8%
	Operating income (loss)	31.8	33.4	36.0	+2.6	
	ROS	5.6%	5.8%	6.9%	+1.1%pt	
Nuclear Power Systems	Net sales	140.0	140.0	164.2	+24.2	+17%
	Operating income (loss)	16.2	16.2	17.0	+0.8	
	ROS	11.6%	11.6%	10.4%	-1.2%pt	
Thermal & Hydro Power Systems	Net sales	222.5	224.7	169.0	-55.7	-25%
	Operating income (loss)	3.5	4.2	8.3	+4.1	
	ROS	1.6%	1.9%	4.9%	+3.0%pt	
Transmission & Distribution Systems	Net sales	217.6	217.9	208.2	-9.7	-4%
	Operating income (loss)	18.4	18.5	14.8	-3.7	
	ROS	8.5%	8.5%	7.1%	-1.4%pt	
Other	Net sales	-11.3	-11.3	-16.4	-5.1	
	Operating income (loss)	-6.3	-5.5	-4.1	+1.4	

Infrastructure Systems & Solutions Results Breakdown

Building Solutions

		FY2019 Actual	FY2019 Actual	FY2020 Forecast	Difference	(Yen in billions)
		Operating income (loss)	Core operating income (loss)	Core operating income (loss)	Core operating income (loss)	growth rate
Infrastructure Systems & Solutions	Net sales	735.0	737.8	731.0	-6.8	-1%
	Operating income (loss)	47.7	48.7	52.0	+3.3	
	ROS	6.5%	6.6%	7.1%	+0.5%pt	
Public Infrastructure	Net sales	423.2	424.1	415.0	-9.1	-2%
	Operating income (loss)	41.4	41.5	35.0	-6.5	
	ROS	9.8%	9.8%	8.4%	-1.4%pt	
Railways and Industrial Systems ^{*1}	Net sales	382.9	384.8	386.0	+1.2	+0%
	Operating income (loss)	6.3	7.2	17.0	+9.8	
	ROS	1.6%	1.9%	4.4%	+2.5%pt	
Others	Net sales	-71.1	-71.1	-70.0	+1.1	
Building Solutions	Net sales	570.1	578.9	595.0	+16.1	+3%
	Operating income (loss)	29.1	31.7	48.0	+16.3	
	ROS	5.1%	5.5%	8.1%	+2.6%pt	
Elevator		232.9	235.8	226.9	-8.9	-4%
Lighting	Net sales	132.8	135.6	144.2	+8.6	+6%
Air Conditioning		208.1	211.2	229.8	+18.6	+9%

*1 Including loss from closed businesses

Electronic Devices & Storage Solutions Results Breakdown

(Yen in billions)

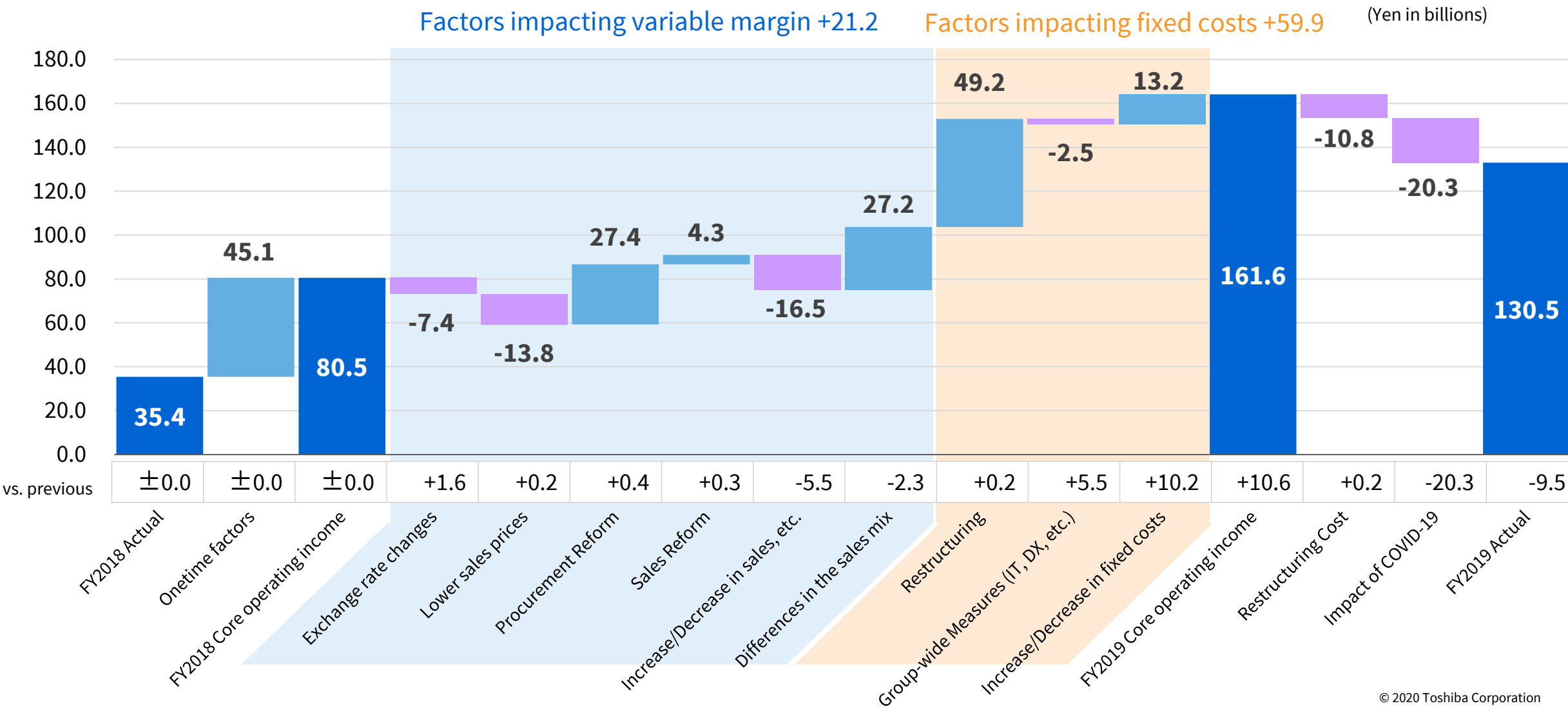
		FY2019 Actual Operating income (loss)	FY2019 Actual Core operating income (loss)	FY2020 Forecast Core operating income (loss)	Difference Core operating income (loss)	growth rate
Electronic Devices & Storage Solutions	Net sales	745.6	769.4	867.0	+97.6	+13%
	Operating income (loss)	13.4	30.8	57.0	+26.2	
	ROS	1.8%	4.0%	6.6%	+2.6%pt	
Semiconductor ^{*1}	Net sales	295.8	309.7	352.0	+42.3	+14%
	Operating income (loss)	1.3	11.5	29.0	+17.5	
	ROS	0.4%	3.7%	8.2%	+4.5%pt	
HDDs & Others ^{*2}	Net sales	449.8	459.7	515.0	+55.3	+12%
	Operating income (loss)	12.1	19.3	28.0	+8.7	
	ROS	2.7%	4.2%	5.4%	+1.2%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.

Operating Income (Loss), FY2018 to FY2019 Analysis

Core operating income doubled due to restructuring and procurement reform



TOSHIBA