

TOSHIBA

FY2018
Consolidated Business Results

Masayoshi Hirata

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

May 13, 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 materially 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 fiscal year 2018, unless otherwise stated.
- Results in segments have been reclassified to reflect the organizational structure as of March 31, 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

Key Points of FY2018 Net Sales and Income (Loss)

● Net Sales:

Overall sales decreased by 254.1 billion yen year-on-year, as Energy Systems & Solutions recorded lower sales despite increased sales in Infrastructure Systems & Solutions and Storage & Electronic Devices Solutions. The decline was mainly due to the impact of the deconsolidation of Landis+Gyr (sold through IPO in July 2017), and declines in sales in the Thermal Power Systems business and Transmission & Distribution Systems business. Additionally, the Others segment recorded lower sales due to the impact of the deconsolidation of the PC business (following a October 2018 sale of shares to Sharp Corporation). The impact of exchange rate changes was -15.9 billion yen.

➤ Net sales 3,693.5 billion yen (YoY*¹: -254.1 billion yen)

*¹YoY: year-on-year comparison

● Income (Loss):

Operating income declined by 50.8 billion yen year-on-year, due to deterioration in the operating results in all business segments other than Industrial ICT Solutions which saw increased income, and in Others which saw improvement due to deconsolidation of PC business. The impact of exchange rate changes was -2.5 billion yen, and the net impact of emergency measures, such as bonus reductions was -17.9 billion yen.

Income before income taxes and noncontrolling interests declined year-on-year on lower operating income and the impact of recording gain from the sale of shares of Landis+Gyr (hereinafter “L+G”) in non-operating income (loss) in FY2017. Net income rose from the same period of the prior year due to the gain from the sale of the Memory business.

➤ Operating income 35.4 billion yen (YoY: -50.8 billion yen)

➤ Income before income taxes and noncontrolling interests 10.9 billion yen (YoY: -71.5 billion yen)

➤ Net income 1,013.3 billion yen (YoY: +209.3 billion yen)

Key Points of FY2018

Free Cash Flows and Equity Attributable to Shareholders of the Company

- **Free Cash Flows:**

Free cash flows improved by 1,539.6 billion yen to 1,430.3 billion yen year-on-year primarily due to improvement of investing cash flows from the sale of the Memory business (1,458.3 billion yen).

- **Equity Attributable to Shareholders of the Company:**

Equity attributable to shareholders of the Company at the end of March 2019 was 1,456.7 billion yen and the shareholders equity ratio improved 33.9%, which was largely attributable to the sale of the Memory Business.

Compared to the forecast provided on February 13, 2019, the equity attributable to shareholders of the Company increased by 476.7 billion yen from the 980.0 billion yen previously forecasted. The change in the forecasted equity attributable to shareholders was largely due to the removal of forecasted loss due to the withdrawal from the purchase and sales agreement (hereinafter “the PSA”) of LNG business with China’s ENN Ecological Holdings Co., Ltd (hereinafter “ENN”), combined with actual share repurchases of 399.8 billion yen being less than forecasted share repurchases of 700.0 billion yen. The forecast made on February 13, 2019 incorporated 700.0 billion yen of the repurchase of shares and 93.0 billion yen of the PSA costs.

Overall Business Results

Income (Loss)/Cash Flow Items

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

	FY2017	FY2018	Difference	vs. previous forecast announced on Feb. 13
Net sales	3,947.6	3,693.5	(254.1)	73.5
Operating income (loss) %	86.2 2.2%	35.4 1.0%	(50.8) (1.2)%	15.4 0.4%
Non-operating income (loss)	(3.8)	(24.5)	(20.7)	105.5
Income (loss) before income taxes and noncontrolling interests %	82.4 2.1%	10.9 0.3%	(71.5) (1.8)%	120.9 3.3%
Tax expenses	61.9	(15.5)	(77.4)	
Net income (loss) from continuing operation before noncontrolling interests	144.3	(4.6)	(148.9)	
Net income (loss) from discontinued operations before noncontrolling interests	696.1	1,040.2	344.1	
Net income (loss) attributable to noncontrolling interests	(36.4)	(22.3)	14.1	
Net income (loss) %	804.0 20.4%	1,013.3 27.4%	209.3 7.0%	143.3 3.4%
Earnings (loss) per share attributable to shareholders of the Company	¥1,628.88	¥1,641.85	¥12.97	¥237.54
Free cash flows	(109.3)	1,430.3	1,539.6	180.3

Overall Business Results

Balance Sheet Items

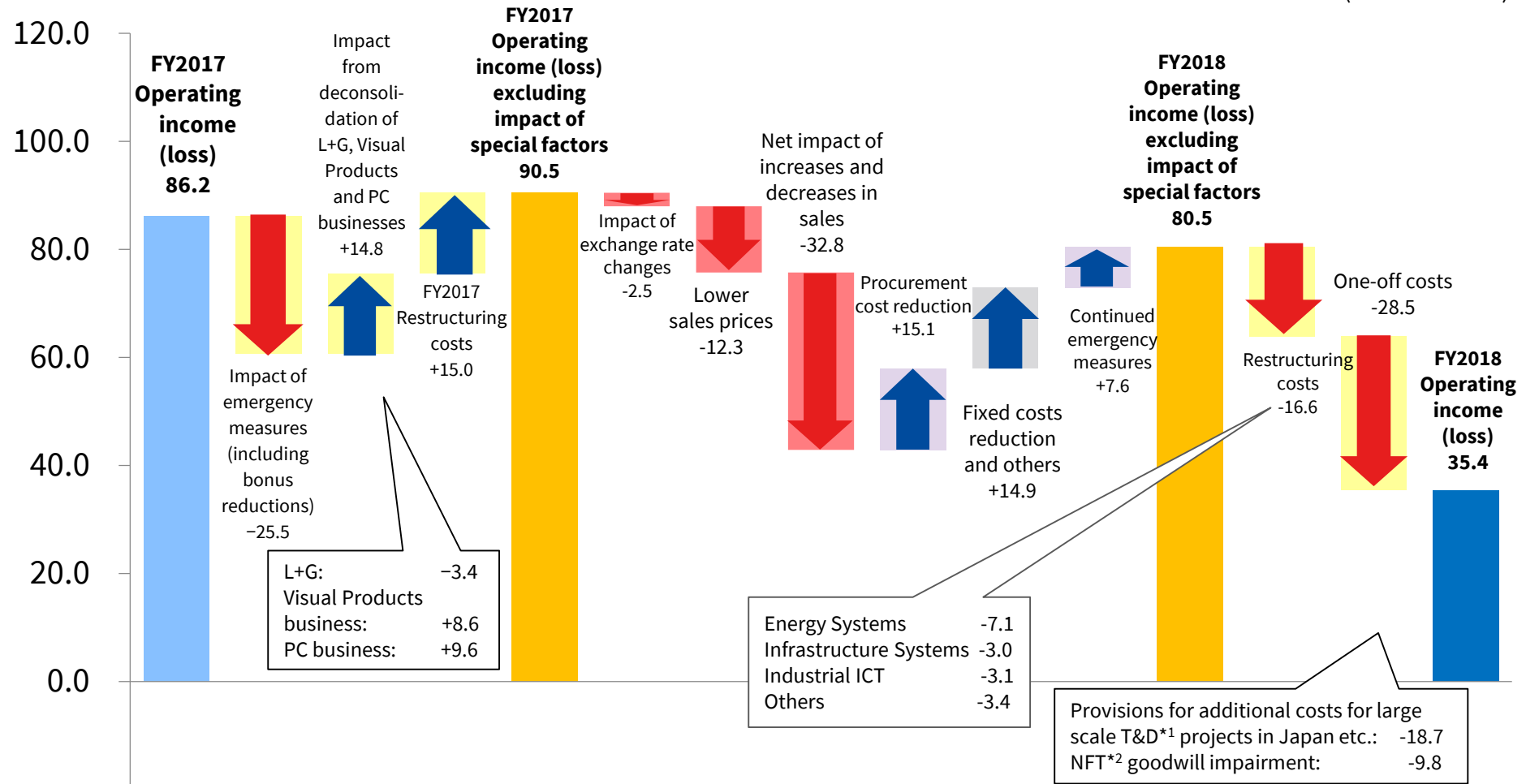
(Yen in billions)

	2018/3E	2019/3E	Difference	vs. previous forecast announced on Feb. 13
Equity attributable to shareholders of the Company	783.1	1,456.7	673.6	476.7
Shareholders' equity ratio	17.6%	33.9%	16.3%	8.1%
Net assets	1,010.7	1,699.0	688.3	469.0
Net interest-bearing debt	191.6	(900.8)	(1,092.4)	(470.8)
Net debt-to-equity ratio	24%	(62)%	(86)%	(18)%
Exchange rate(US\$) as of the period-end	¥106	¥111	¥5	¥6

Operating Income (Loss), YoY Analysis

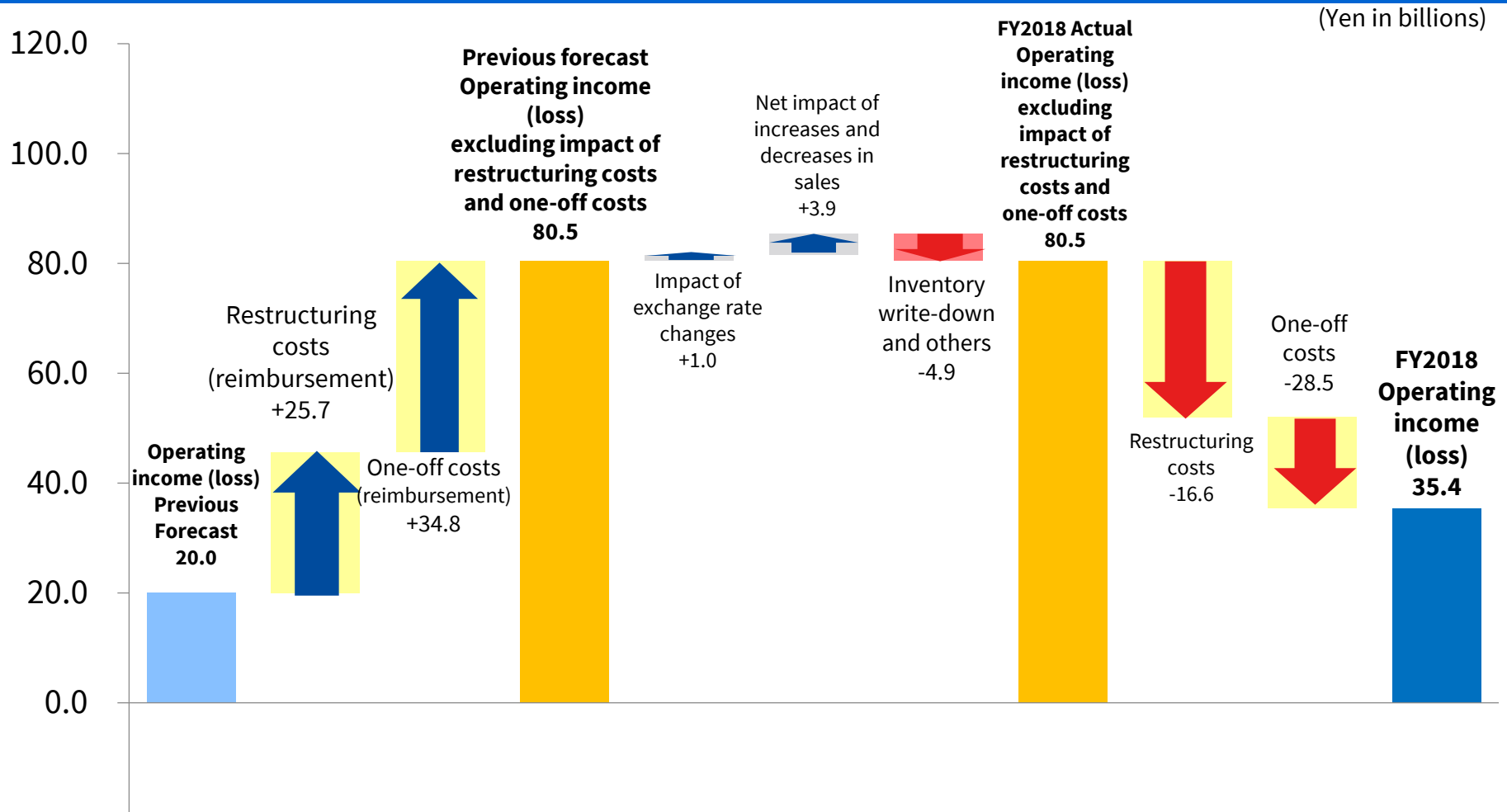
Operating Income (loss) excluding impact of special factors decreased by 10.0 billion yen YoY

(Yen in billions)



Operating Income (Loss), vs. previous forecast analysis

Operating Income (loss) excluding restructuring costs and one-off costs was 80.5 billion yen



Non-operating Income (Loss) and Expenses

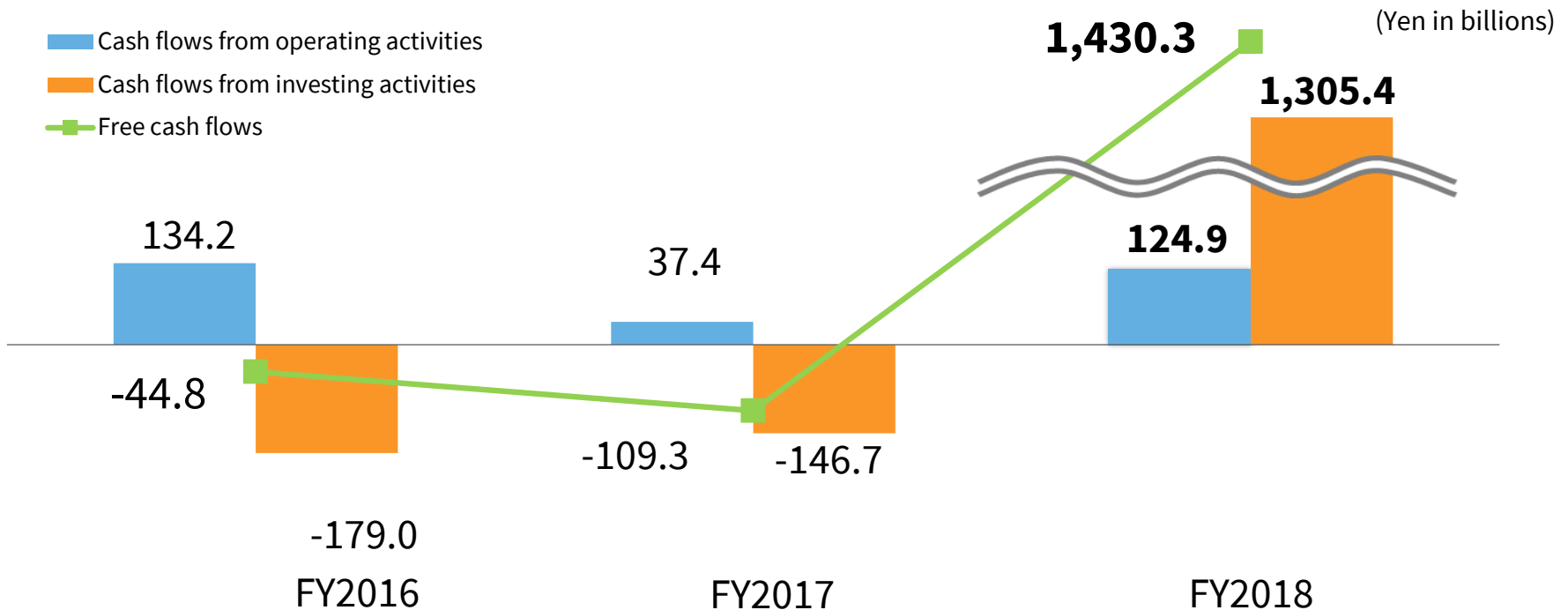
Non-operating loss deteriorated mainly due to the absence of income from the sale of L+G shares in FY 2017

	FY2017	FY2018	Difference	(Yen in billions)
Net financial income (loss)	(21.6)	(4.3)	17.3	
Foreign exchange income (loss)	(11.2)	(1.9)	9.3	
Income (loss) on sale or disposal of fixed assets	21.6	(4.7)	(26.3)	
Income (loss) on sale of securities	*1 69.1	(4.3)	(73.4)	*1 Sale of L+G shares: 66.8 billion yen
Settlement costs of lawsuits	(7.5)	(18.2)	(10.7)	
Equity in earnings of affiliates	10.3	*2 12.9	2.6	*2 Equity earnings from Toshiba Memory: 3.3 billion yen
Others	(64.5)	*3 (4.0)	60.5	*3 Gain from the transfer of Toshiba General Hospital: 23.9 billion yen
Total	(3.8)	(24.5)	(20.7)	

- 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

Cash flows from operating activities were 124.9 billion yen in FY2018



(Reference) FCF excluding special factors

FCF	(44.8)
Impact of the sale of businesses	27.8
Impact related to WEC	
FCF of Memory business	94.5
Impact of special factors related to operating capital	(67.2)
FCF excluding special factors	(99.9)

Sale of Home Appliance business



FY2017

(109.3)
176.7
(406.6)
110.6
16.8
(6.8)

IPO of L+G and the transfer of Toshiba General Hospital



FY2018

1,430.3
1,458.3
8.5
(59.0)
22.5

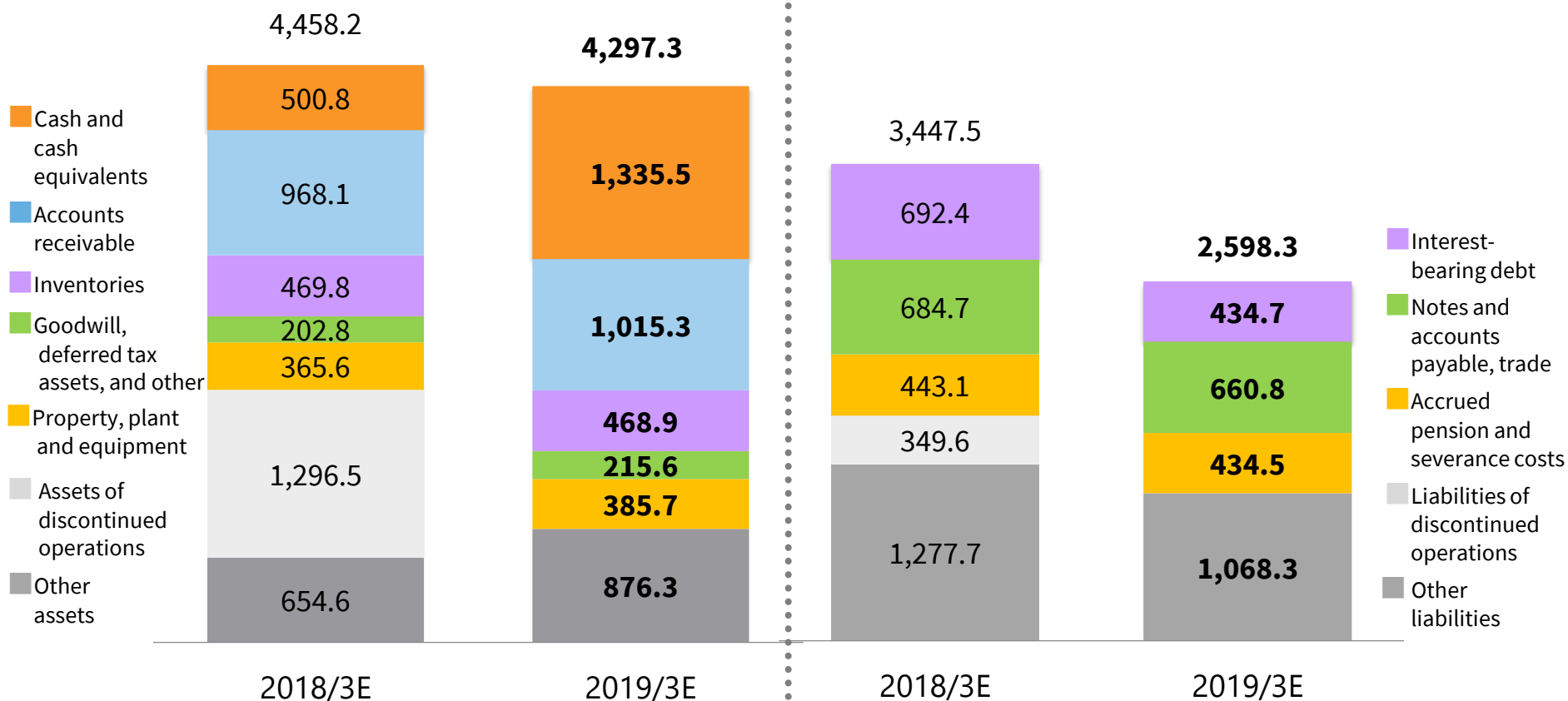
Sale of Memory business

Balance Sheet

(Yen in billions)

Assets

Liabilities



02

Business Results by Segment

FY2018 Consolidated Business Results by Segment

(Yen in billions)

		FY2017	FY2018	Difference (growth rate)		vs. previous forecast announced on Feb. 13
Energy Systems & Solutions	Net sales	841.1	652.7	(188.4)	(22)%	2.7
	Operating income (loss)	(9.7)	(24.0)	(14.3)		3.0
	ROS*	(1.2)%	(3.7)%	(2.5)%		0.5%
Infrastructure Systems & Solutions	Net sales	1,246.8	1,291.9	45.1	+4%	21.9
	Operating income (loss)	48.0	39.9	(8.1)		4.9
	ROS	3.9%	3.1%	(0.8)%		0.3%
Retail & Printing Solutions	Net sales	522.8	485.4	(37.4)	(7)%	5.4
	Operating income (loss)	27.0	20.2	(6.8)		1.2
	ROS	5.2%	4.2%	(1.0)%		0.2%
Storage & Electronic Devices Solutions	Net sales	879.6	900.9	21.3	+2%	20.9
	Operating income (loss)	47.3	11.4	(35.9)		3.4
	ROS	5.4%	1.3%	(4.1)%		0.4%
Industrial ICT Solutions	Net sales	258.9	253.1	(5.8)	(2)%	3.1
	Operating income (loss)	1.3	8.1	6.8		5.1
	ROS	0.5%	3.2%	2.7%		2.0%
Others	Net sales	529.2	420.4	(108.8)	(21)%	20.4
	Operating income (loss)	(31.6)	(25.0)	6.6		(7.0)
Eliminations	Net sales	(330.8)	(310.9)	19.9		(0.9)
	Operating income (loss)	3.9	4.8	0.9		4.8
Total, excluding discontinued operations	Net sales	3,947.6	3,693.5	(254.1)	(6)%	73.5
	Operating income (loss)	86.2	35.4	(50.8)		15.4
	ROS	2.2%	1.0%	(1.2)%		0.4%

*ROS: Return on sales

Energy Systems & Solutions Results Breakdown

(Yen in billions)

		FY2017	FY2018	Difference	(growth rate)	
Energy Systems & Solutions	Net sales	841.1	652.7	(188.4)	(22)%	Impact of exchange rate changes: -5.8
	Operating income (loss)	(9.7)	(24.0)	(14.3)		
	ROS	(1.2)%	(3.7)%	(2.5)%		Impact of exchange rate changes: +0.7 Emergency measures: -3.2
	FCF by segment			(16.4)		
Nuclear Power Systems	Net sales	165.0	169.1	4.1	+2%	Higher sales mainly due to the consolidation of Nuclear Fuel Industries, and improved operating results due to an elimination of the negative factors which existed in the comparative period.
	Operating income (loss)	8.3	11.6	3.3		
	ROS	5.0%	6.9%	1.9%		
Thermal & Hydro Power Systems	Net sales	340.1	279.7	(60.4)	(18)%	Operating results remain same level supported by the improvement of profitability in service related business despite net sales decreasing as the peak of progress in large-scale construction projects of Thermal Power plant was in FY2017 and the number of Thermal Power construction projects declined.
	Operating income (loss)	(13.4)	(12.0)	1.4		
	ROS	(3.9)%	(4.3)%	(0.4)%		
Transmission & Distribution Systems	Net sales	292.2	213.1	(79.1)	(27)%	Lower sales due to the transfer of the industrial distribution systems business to Infrastructure Systems & Solutions. Deteriorated operating income due to provision of additional costs for large-scale-projects in Japan.
	Operating income (loss)	1.1	(12.2)	(13.3)		
	ROS	0.4%	(5.7)%	(6.1)%		
Landis+Gyr	Net sales	65.8	-	(65.8)		Due to the deconsolidation of the business through the completion of IPO.
	Operating income (loss)	3.4	-	(3.4)		
Other	Net sales	(22.0)	(9.2)	12.8		Decreased in elimination in inter-segment transactions.
	Operating income (loss)	(9.1)	(11.4)	(2.3)		

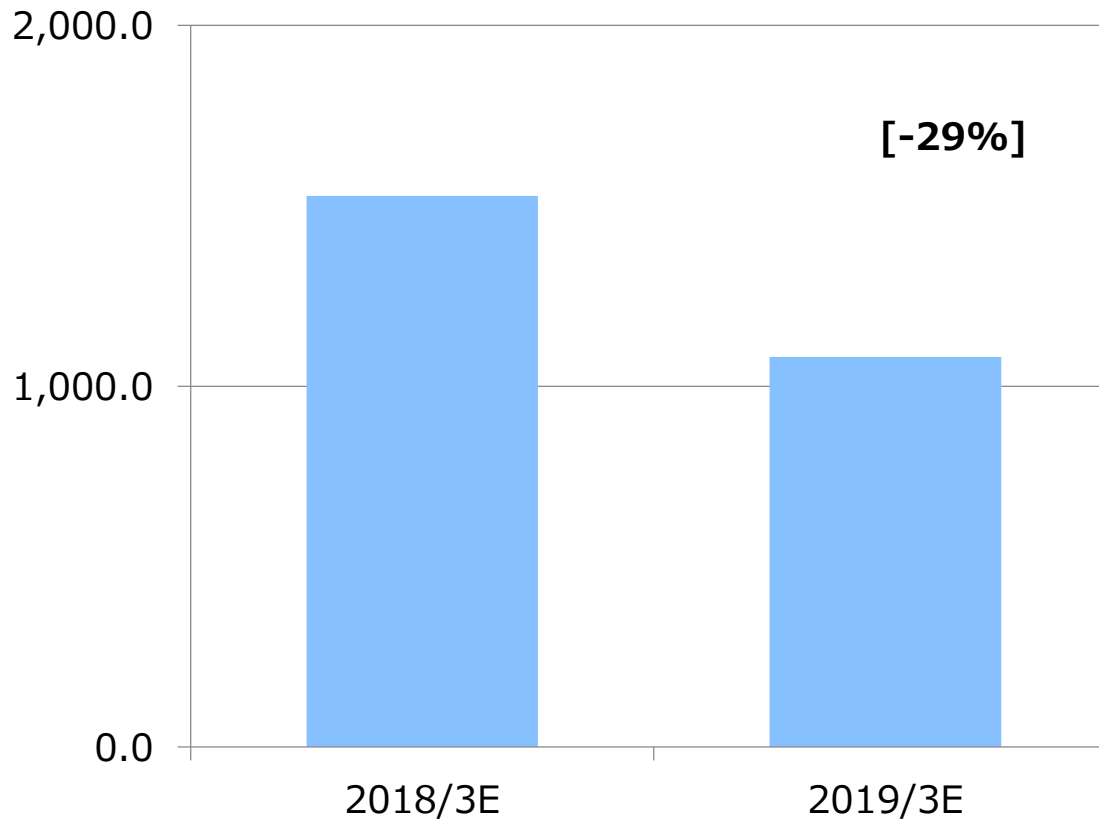
*Free cash flows by segment are treated as an index for in-house management only, and the impact of exchange rate changes is treated differently from free cash flows in the Consolidated Statements of Cash Flows.

Energy Systems & Solutions Order Backlog

(Yen in billions)

[]=year-on-year comparison

*Power Generation and Transmission & Distribution Systems
(excluding Solar Photovoltaic Systems)



- Nuclear Power Systems saw a significant decline in the order backlog due to withdrawal from overseas nuclear projects, but the remaining order backlog relates to plant restarts in Japan.
- Thermal & Hydro Power Systems' order backlog decreased mainly due to reducing projects by focusing on profitability and the progress made of current construction projects.
- Transmission & Distribution Systems' order backlog decreased due to the progress made of current large-scale projects.

Infrastructure Systems & Solutions Results Breakdown

(Yen in billions)

		FY2017	FY2018	Difference (growth rate)		
Infrastructure Systems & Solutions	Net sales	1,246.8	1,291.9	45.1	+4%	Impact of exchange rate changes: -3.0
	Operating income (loss)	48.0	39.9	(8.1)		
	ROS	3.9%	3.1%	(0.8)%		Impact of exchange rate changes: -1.3 Emergency measures: -4.9
	FCF by segment			(8.9)		
Public Infrastructure	Net sales	400.6	411.4	10.8	+3%	Higher sales and operating income due to the expansion of the social systems business.
	Operating income (loss)	24.1	28.2	4.1		
	ROS	6.0%	6.9%	0.9%		
Building and Facilities	Net sales	550.8	560.8	10.0	+2%	Lower operating income overall mainly due to the impact of structural reforms of Lightning business and deterioration in Elevator and Escalator business, despite of the increase of sales in the overseas air-conditioning business.
	Operating income (loss)	17.5	12.1	(5.4)		
	ROS	3.2%	2.2%	(1.0)%		
Railways and Industrial Systems	Net sales	346.6	388.2	41.6	+12%	Higher sales supported by transfer of the industrial distribution systems business from Energy Systems & Solutions. Deteriorated operating results due to an increase of cost reserves in overseas projects of railway systems and an acceleration of development costs in battery system.
	Operating income (loss)	6.4	(0.4)	(6.8)		
	ROS	1.8%	(0.1)%	(1.9)%		
Building and Facilities Breakdown of net sales	Elevator & Escalator	214.5	217.3	2.8	+1%	
	Lighting	148.9	144.3	(4.6)	(3)%	
	Air Conditioning	187.4	199.3	11.9	+6%	

*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.

Storage & Electronic Devices Solutions Results Breakdown

(Yen in billions)

		FY2017	FY2018	Difference (growth rate)	
Storage & Electronic Devices Solutions	Net sales	879.6	900.9	21.3	+2%
	Operating income (loss)	47.3	11.4	(35.9)	
	ROS	5.4%	1.3%	(4.1)%	
	FCF by segment			(25.4)	
Semiconductor*1	Net sales	359.8	354.9	(4.9)	(1)%
	Operating income (loss)	16.4	0.2	(16.2)	
	ROS	4.6%	0.1%	(4.5)%	
HDDs & Others*2	Net sales	519.8	546.0	26.2	+5%
	Operating income (loss)	30.9	11.2	(19.7)	
	ROS	5.9%	2.1%	(3.8)%	

Impact of exchange rate changes: -4.2

Impact of exchange rate changes: -1.4

Emergency measures: -2.5

In discrete semiconductors, higher sales reflected a good performance in automotive use power devices, which outweighed lower sales for small signal devices for smart phones, but operating income decreased due to an increase in upfront investments. In System LSIs, despite reducing fixed costs, the slowdown in the Chinese markets resulted in lower sales and operating income. A goodwill impairment of 9.8 billion yen was recognized in FY2018/Q3 for NFT, triggered by a decline in its stock price. No additional goodwill impairments were recognized in Q4.

In HDDs, lower sales due to decrease in sales of HDDs for PC, despite increase in sales of HDDs for enterprises. Lower operating income due to underachievement of procurement cost reduction to lower sales price. Higher sales due to an increase in resale of memory products.

*1 Including sales of discrete semiconductors, systems LSIs, and those by NFT (including NFT goodwill impairment)

*2 Including sales of HDD and 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

Industrial ICT Solutions

(Yen in billions)

		FY2017	FY2018	Difference (growth rate)	
Retail & Printing Solutions	Net sales	522.8	485.4	(37.4)	(7)%
	Operating income (loss)	27.0	20.2	(6.8)	
	ROS	5.2%	4.2%	(1.0)%	
FCF by segment			4.1		

Impact of exchange rate changes: -2.6

Impact of exchange rate changes: -0.2
Emergency measures: ±0.0

- Both the Printing and the Retail businesses saw lower sales, the latter due to a decrease in large-scale contracts in the domestic market.
- The segment as a whole reported lower operating income. Although The overseas retail business saw higher operating income, the overall retail business recorded lower operating income. The Printing business also recorded lower operating income.

		FY2017	FY2018	Difference (growth rate)	
Industrial ICT Solutions	Net sales	258.9	253.1	(5.8)	(2)%
	Operating income (loss)	1.3	8.1	6.8	
	ROS	0.5%	3.2%	2.7%	
FCF by segment			8.7		

Impact of exchange rate changes: ±0.0

Impact of exchange rate changes: ±0.0
Emergency measures: -2.5

- Despite an increase of sales of system related products and services to the public sector and the manufacturing sector, and subsidiaries, net sales decreased compared to the prior fiscal year, due to the impact of sale of IT solution related subsidiary.
- Operating results increased compared to the prior fiscal year, primarily due to higher operating income in system-related projects in Japan and the positive impact of fixed cost reductions through structural reform.

*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.

Others

(Yen in billions)

		FY2017	FY2018	Difference (growth rate)	
PC	Net sales	167.3	79.4	(87.9)	Sales of shares(80.1%) to Sharp Corporation was completed on October 1, 2018, and therefore the PC business was excluded from the scope of consolidation from FY2018/Q3.
	Operating income (loss)	(9.6)	(4.7)	4.9	
	ROS	(5.7)%	(5.9)%	(0.2)%	

*FY2018 above shows the figures for FY2018/H1, prior to completing the sale of shares to Sharp Corporation.

03

Supplementary Information

NuFlare Technology Goodwill Impairment

**No additional impairment incurred in FY2018 Q4
as a result of the impairment assessment**

[Q3 Actual]

The price of NFT's stock dropped, part of a steep decline in stock prices across the market. In response, as required by the accounting standards, which specify that the stock price trend is one of the factors to consider in respect of asset impairment, the Group carried out an impairment assessment that found evidence of impairment. Further impairment tests confirmed this, and the Group recognized a goodwill impairment for NFT in the amount of 9.8 billion yen. After this process, the balance of goodwill in NFT at the end of December 2018 stood at 8.0 billion yen.

[Q4 Actual]

As required by the accounting standards, the Group carried out an impairment assessment utilizing NFT's stock price. According to the result of the assessment, evidence of the additional impairment was not recognized. The Company had previously forecasted a 8.0 billion yen impairment loss in the FY 2018 Q4 forecast to incorporate the risk of additional impairment; however, that risk did not materialize and no additional impairments were recorded.

For Reference: Balance of Goodwill (2019/3E)

Balance of Goodwill including NFT at 2019/3E was 58.5 billion yen

	2019 3/E
NFT	8.0
Toshiba TEC Group	35.7
Toshiba Elevator Group	10.9
Others	3.9
Total	58.5

(Yen in billions)

[For Reference] Impairment assessment of goodwill

NFT's goodwill was recognized when the Company acquired the publically listed shares of NFT in steps. Indication of impairment for the listed company like NFT, an impairment assessment must be conducted which should take into account the fair value of the reporting unit, which includes the stock price, the market environment, and the forecast of the unit's performance.

On the other hand, other companies' goodwill other than NFT such as Toshiba TEC Group, were recognized when acquiring an unlisted company. For companies that are not listed, stock prices are not used as factors to indicate impairment, but other factors such as the market environment, and the forecast of the unit's performance are taken into account.

LNG Business(Freeport)

Terminated the purchase and sales agreement with ENN and restarting the bidding process

[Withdrawal from the PSA with ENN]

- On April 10, 2019, Toshiba was informed by ENN that its board of directors resolved to terminate the PSA, and that this decision would be submitted for approval to an extraordinary general meeting on April 29, 2019.
- On April 17, 2019, the board of directors of Toshiba resolved to terminate the PSA with ENN, and submitted an official notice of termination to ENN.

[Restarted the bidding process]

- Under the “Toshiba Next Plan”, Toshiba is maximizing its corporate value by concentrating resources on core businesses. It has categorized the LNG business as a non-core business, and decided to withdraw from the business at the earliest possible timing. This conclusion is unchanged.
- Toshiba restarted the bidding process with its aim to complete the withdrawal within FY2019.

Equity Earnings (Loss) from Toshiba Memory

(Yen in billions)

[FY2018 Actual]

	Equity earnings (loss)
Q1 Actual (only in 2018/6)	12.2
Q2 Actual	33.0
Q3 Actual	(37.7)
Q4 Actual	(4.2)
FY2018 Actual	3.3

(Reference) Bit growth and change in ASP

	Bit growth (vs. the previous quarter)	ASP (vs. the previous quarter)
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

Data provided by Toshiba Memory

ASP: Average Sales Price

[Breakdown of Equity earnings in FY2018]

• Ordinary income and loss	+67.0
• Impact of PPA	-63.7

- 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, 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.30 of this document) is disclosed for reference only, which does not include the forecasted equity earnings (loss) of Toshiba Memory.

Shareholder Return (Repurchase of its Own Shares)

**Total repurchase of its own shares was
399.8 billion yen as at 2019/3E**

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

	2019/3E	(Reference) 2019/4E
Total number of shares repurchased (shares in thousands)	110,364	115,567
Total amount of repurchase price (Yen in billions)	399.8	418.9
Progress rate (Amount base: per up to 700.0 billion yen)	57.1%	59.8%
Total number of shares issued (shares in thousands)	544,000	544,000
Total number of the Company's Own shares (shares in thousands)	2,735	7,943

Shareholder Returns (Dividend)

**Forecasted year-end dividend is 10 yen (at the date of record of 2019/3E)
and dividend for FY2019 has not been decided**

[Year-end dividend for FY2018 (at the date of record of 2019/3E)] 10 yen per share

[Dividend for FY2019 (Interim and year-end)] Undecided

(Reference) Breakdown of Non-consolidated net assets

(Yen in billions)

	2018/3E	2019/3E
Stated Capital	500.0	200.0
Capital reserve	300.0	0.0
Other capital surplus	158.7	0.0
Other retained earnings	(914.4)	718.1
Treasury stock	(2.1)	(9.5)
Valuation, translation, adjustments and others	6.2	5.9
Total net asset	48.4	914.5

* The reduction in amounts of stated capital and capital reserves was implemented as of July 31, 2018.

Distributable Amount

(757.8)

708.6

04

FY2019 Forecast



Overall

	FY2018 Actual	FY2019 Forecast	Difference	FY2019 Next Plan	Difference
Net sales	3,693.5	3,400.0	(293.5)	3,400.0	0.0
Operating income(loss) %	35.4 1.0%	140.0 4.1%	104.6 3.1%	140.0 4.1%	0.0 0.0%

(Yen in billions)

For references purposes, the FY2019 Forecast excludes any impact resulting from future equity earnings from Toshiba Memory and the sale of the LNG business. Actual results shown below are inclusive of Toshiba Memory equity earnings.

Income(loss) before income taxes and noncontrolling interests	10.9	92.0
%	0.3%	2.7%
Net income(loss)	1,013.3	0.0
%	27.4%	0.0%
Earning(loss) per share attributable to shareholders of the Company	¥1,641.85	¥0.00

Free cash flows	1,430.3	(230.0)
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	2019/3E Actual	2020/3E Forecast
Equity attributable to shareholders of the Company	1,456.7	1,085.0
Shareholders' equity ratio	33.9%	27.1%
Net assets	1,699.0	1,349.0
Net interest-bearing debt	(900.8)	(170.0)
Net debt-to-equity ratio	(62)%	(16)%
Exchange rate(US\$) as of the period-end	¥111	¥105

(190.0)

2020/3E Next Plan
1,085.0
27.0%

(60.0)

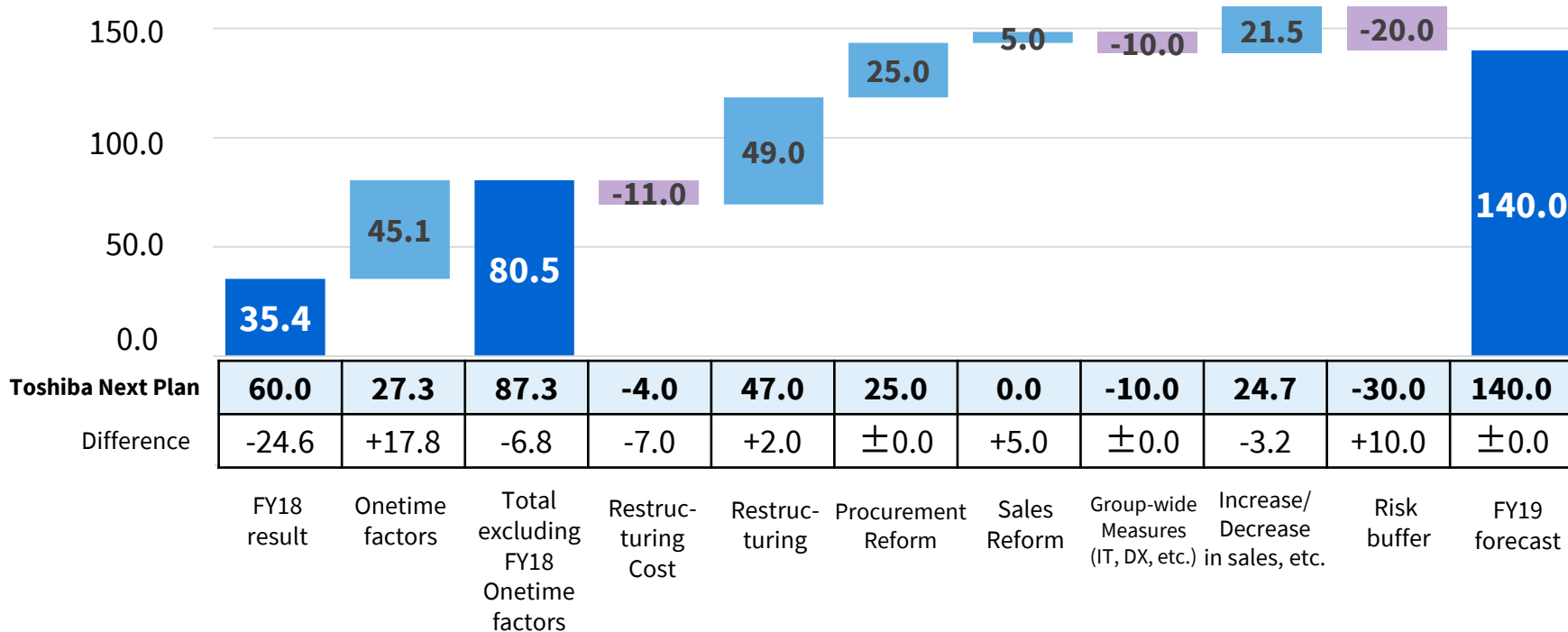
¥105

Toshiba Next Plan announced on November, 2018 included impact of equity earnings of Toshiba Memory based on the forecast.

Operating Income (loss), FY2018 to FY2019 Analysis, vs. Toshiba Next Plan

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

(Yen in billions)



Segment Reclassification

Implemented reclassifications in Building Solutions, Battery Business and Materials & Devices Businesses

Disclosed Segment (Old)

Energy Systems & Solutions
Nuclear Power Systems
Thermal & Hydro Power Systems
Transmission & Distribution Systems
Landis+Gyr
Other
Infrastructure Systems & Solutions
Public Infrastructure
Building and Facilities
Railways and Industrial Systems
Retail & Printing Solutions
Storage & Electronic Devices Solutions
Semiconductor
HDDs & Others
Industrial ICT Solutions
Others

Disclosed Segment (New)

(effective as of April 1, 2019)

Energy Systems & Solutions
Nuclear Power Systems
Thermal & Hydro Power Systems
Transmission & Distribution Systems
Other
Infrastructure Systems & Solutions
Public Infrastructure
Railway and Industrial Systems
Building Solutions (New)
Retail & Printing Solutions
Electronic Devices & Storage Solutions (Renamed)
Semiconductor
HDDs & Others (Including Materials & Devices Businesses)
Digital Solutions (Renamed)
Others (Including Battery Business)

By Segment

(Yen in billions)

		FY2018 Actual	FY2019 Forecast	Difference (growth rate)		FY2019 Next Plan	Difference
Energy Systems & Solutions	Net sales	652.7	590.0	(62.7)	(10)%	610.0	(20.0)
	Operating income(loss)	(24.0)	28.0	52.0		28.0	0.0
	ROS	(3.7)%	4.7%	8.4%		4.6%	0.1%
Infrastructure Systems & Solutions	Net sales	733.5	690.0	(43.5)	(6)%	660.0	30.0
	Operating income(loss)	30.3	40.0	9.7		40.0	0.0
	ROS	4.1%	5.8%	1.7%		6.1%	(0.3)%
Building Solutions	Net sales	557.0	590.0	33.0	+6%	600.0	(10.0)
	Operating income(loss)	16.9	36.0	19.1		36.0	0.0
	ROS	3.0%	6.1%	3.1%		6.0%	0.1%
Retail & Printing Solutions	Net sales	485.4	490.0	4.6	+1%	510.0	(20.0)
	Operating income(loss)	20.2	22.0	1.8		22.0	0.0
	ROS	4.2%	4.5%	0.3%		4.3%	0.2%
Electronic Devices & Storage Solutions	Net sales	933.0	850.0	(83.0)	(9)%	900.0	(50.0)
	Operating income(loss)	12.5	49.0	36.5		61.0	(12.0)
	ROS	1.3%	5.8%	4.5%		6.8%	(1.0)%
Digital Solutions	Net sales	253.1	260.0	6.9	+3%	240.0	20.0
	Operating income(loss)	8.1	13.0	4.9		11.0	2.0
	ROS	3.2%	5.0%	1.8%		4.6%	0.4%
Others	Net sales	412.4	290.0	(122.4)	(30)%	290.0	0.0
	Operating income(loss)	(33.8)	(28.0)	5.8		(28.0)	0.0
Eliminations	Net sales	(333.6)	(360.0)	(26.4)		(410.0)	50.0
	Operating income(loss)	5.2	(20.0)	(25.2)		(30.0)	10.0
Total excluding discontinued operations	Net sales	3,693.5	3,400.0	(293.5)	(8)%	3,400.0	0.0
	Operating income(loss)	35.4	140.0	104.6		140.0	0.0
	ROS	1.0%	4.1%	3.1%		4.1%	0.0%

- The actual business results of FY2018 have also 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)

(Yen in billions)

Capital Expenditure (Commitment basis)	FY2017 Actual	FY2018 Actual	FY2018/Q4 Actual	Major Items in FY2018/Q4
Energy Systems & Solutions	10.7	31.5	4.1	
Infrastructure Systems & Solutions	32.1	65.4	17.9	
Retail & Printing Solutions	8.3	7.6	2.6	
Storage & Electronic Devices Solutions	20.5	27.2	2.0	
Industrial ICT Solutions	2.3	2.1	0.7	
Others	11.6	15.4	4.2	
Total	85.5	149.2	31.5	

Investments and loans	96.5	3.5
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FY2019 Forecast Capital Expenditure (Commitment Basis)

(Yen in billions)

Capital Expenditure (Commitment basis)	FY2018 Actual	FY2019 Forecast
Energy Systems & Solutions	31.5	20.0
Infrastructure Systems & Solutions	18.1	30.0
Building Solutions	24.3	21.0
Retail & Printing Solutions	7.6	10.0
Electronic Devices & Storage Solutions	33.5	35.0
Digital Solutions	2.1	4.0
Others	32.1	40.0
Total	149.2	160.0
Investments and loans	3.5	20.0

Energy Systems & Solutions Results Breakdown

(Yen in billions)

		FY2018 Actual	FY2019 Forecast	Difference (growth rate)		FY2019 Next Plan	Difference
Energy Systems & Solutions	Net sales	652.7	590.0	(62.7)	(10)%	610.0	(20.0)
	Operating income(loss)	(24.0)	28.0	52.0		28.0	0.0
	ROS	(3.7)%	4.7%	8.4%		4.6%	0.1%
Nuclear Power Systems	Net sales	169.1	167.0	(2.1)	(1)%	170.0	(3.0)
	Operating income(loss)	15.5	12.7	(2.8)		13.0	(0.3)
	ROS	9.2%	7.6%	(1.6)%		7.6%	0.0%
Thermal & Hydro Power Systems	Net sales	279.7	235.6	(44.1)	(16)%	230.0	5.6
	Operating income(loss)	(12.0)	8.7	20.7		8.0	0.7
	ROS	(4.3)%	3.7%	8.0%		3.5%	0.2%
Transmission & Distribution Systems	Net sales	213.1	207.6	(5.5)	(3)%	220.0	(12.4)
	Operating income(loss)	(12.2)	12.3	24.5		12.0	0.3
	ROS	(5.7)%	5.9%	11.6%		5.5%	0.4%
Other	Net sales	(9.2)	(20.2)	(11.0)		(10.0)	(10.2)
	Operating income(loss)	(15.3)	(5.7)	9.6		(5.0)	(0.7)

- The actual business results of FY2018 have also 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 and Building Solutions Results Breakdown

(Yen in billions)

		FY2018 Actual	FY2019 Forecast	Difference (growth rate)		FY2019 Next Plan	Difference
Infrastructure Systems & Solutions	Net Sales	733.5	690.0	(43.5)	(6)%	660.0	30.0
	Operating income(loss)	30.3	40.0	9.7		40.0	0.0
	ROS	4.1%	5.8%	1.7%		6.1%	(0.3)%
Public Infrastructure	Net Sales	409.1	406.0	(3.1)	(1)%	406.0	0.0
	Operating income(loss)	27.3	26.1	(1.2)		26.1	0.0
	ROS	6.7%	6.4%	(0.3)%		6.4%	0.0%
Railway and Industrial Systems	Net Sales	395.1	376.8	(18.3)	(5)%	376.8	0.0
	Operating income(loss)	3.0	13.5	10.5		13.5	0.0
	ROS	0.8%	3.6%	2.8%		3.6%	0.0%

Building Solutions	Net Sales	557.0	590.0	33.0	+6%	600.0	(10.0)
	Operating income(loss)	16.9	36.0	19.1		36.0	0.0
	ROS	3.0%	6.1%	3.1%		6.0%	0.1%
Elevator		217.3	234.6	17.3	+8%	233.5	1.1
Lighting	Net Sales	144.3	149.3	5.0	+3%	154.0	(4.7)
Air Conditioning		199.3	209.0	9.7	+5%	209.0	0.0

- The actual business results of FY2018 have also 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	FY2019 Forecast	Difference (growth rate)		FY2019 Next Plan	Difference
Electronic Devices & Storage Solutions	Net Sales	933.0	850.0	(83.0)	(9)%	900.0	(50.0)
	Operating income(loss)	12.5	49.0	36.5		61.0	(12.0)
	ROS	1.3%	5.8%	4.5%		6.8%	(1.0)%
Semiconductor*1	Net Sales	354.9	343.0	(11.9)	(3)%	390.0	(47.0)
	Operating income(loss)	0.2	30.0	29.8		36.0	(6.0)
	ROS	0.1%	8.7%	8.6%		9.2%	(0.5)%
HDDs & Others*2	Net Sales	578.1	507.0	(71.1)	(12)%	510.0	(3.0)
	Operating income(loss)	12.3	19.0	6.7		25.0	(6.0)
	ROS	2.1%	3.7%	1.6%		4.9%	(1.2)%

*1 Including sales of discrete semiconductors, system LSIs, and those by NFT (including NFT goodwill impairment)

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

- The actual business results of FY2018 have also 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.

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