

November 11, 2022
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Toshiba Announces Consolidated Results for the First Six Months
and the Second Quarter for Fiscal Year 2022, Ending March 2023**

TOKYO--Toshiba Corporation (TOKYO: 6502) (hereinafter “Toshiba” or “the Company”) today announced its consolidated results for the first six months (April-September) and the second quarter (July-September) of fiscal year (FY) 2022, ending March 31, 2023.

Note:

For convenience only, all dollar amounts used in reporting the second quarter of FY2022 are calculated at 145 yen to the dollar.

Consolidated Financial Results for the First Six Months Ended September 30, 2022 (Under U.S. GAAP)

November 11, 2022

Company name : Toshiba Corporation
 Stock exchange listings : Tokyo, Nagoya
 Securities code : 6502 URL: <https://www.global.toshiba/ww/top.html>
 Representative : Taro Shimada, Representative Executive Officer, President and CEO
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 Scheduled date of quarterly report filing : November 11, 2022
 Scheduled date of dividend payment : December 7, 2022
 Supplemental materials of quarterly results : Yes
 Financial results briefing : Yes

1. Consolidated financial results for the first six months ended September 30, 2022 (April 1, 2022 - September 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period)

	Net sales		Operating income		Income before income taxes and noncontrolling interests		Net income attributable to shareholders of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2022	1,595,212	3.2	2,738	(93.9)	130,507	58.9	100,661	68.3
September 30, 2021	1,546,397	12.8	44,976	-	82,121	309.6	59,795	-

Note: Comprehensive income For the six months ended September 30, 2022: ¥138,753 million (122.2%)
 For the six months ended September 30, 2021: ¥62,432 million (571.4%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2022	232.67	231.95
September 30, 2021	133.76	-

(2) Consolidated financial position

	Total assets	Total equity	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of					
September 30, 2022	3,638,783	1,353,463	1,245,834	34.2	2,879.64
March 31, 2022	3,734,519	1,366,664	1,206,634	32.3	2,788.95

2. Cash dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2021	110.00	40.00	-	70.00	220.00
FY2022	160.00	60.00	-	-	-
FY2022 (Forecast)	-	-	-	70.00	290.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of 1Q dividend for the fiscal year ended March 2022: the special dividend of 110.00 yen.

Breakdown of 1Q dividend for the fiscal year ending March 2023: the special dividend of 160.00 yen.

3. Forecast of Consolidated Results for the Fiscal Year ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous year)

	Net sales		Operating income	
	Millions of yen	%	Millions of yen	%
FY2022	3,350,000	0.4	125,000	(21.4)

Note: Revisions to the forecast of consolidated results most recently announced: Yes
 Reflecting the latest trends, revised upward sales by 50 billion yen and downward operating income by 45 billion yen from the forecast on August 10, 2022.

Note: Since Toshiba is not involved in the management of Kioxia Holdings (hereinafter "Kioxia") and is not provided with any forecasted business results, Toshiba Group's forward-looking statements concerning income before income taxes, net income attributable to shareholders of the Company and earnings per share do not include the impact of Kioxia.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in Specified Subsidiaries involving changes in the scope of consolidation): Yes
 Excluded: 1 company (Toshiba Carrier Corporation)
 Please refer to “Others” for details.

(2) Adoption of simplified method of accounting or specific accounting treatments: Yes
 Please refer to “Others” for details.

(3) Changes in accounting policies

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

(4) Number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including shares of treasury stock)

As of September 30, 2022	433,137,955 shares
As of March 31, 2022	433,137,955 shares

2) Number of shares of treasury stock at the end of the period

As of September 30, 2022	502,820 shares
As of March 31, 2022	489,871 shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	432,641,619 shares
Six months ended September 30, 2021	447,032,912 shares

* This summary of quarterly financial statements is not subject to quarterly review by certified accountants or audit corporations.

*** Consolidated financial results for the three months ended September 30, 2022 (July 1, 2022 - September 30, 2022)**

Consolidated Operating Results

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Income before income taxes and noncontrolling interests		Net income attributable to shareholders of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
September 30, 2022	854,562	4.4	7,546	(75.2)	88,793	67.8	74,768	78.9
September 30, 2021	818,534	6.1	30,448	93.3	52,919	123.5	41,799	181.6

Note: Comprehensive income For the three months ended September 30, 2022: ¥93,347 million (109.1%)
 For the three months ended September 30, 2021: ¥44,650 million (148.0%)

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
September 30, 2022	172.82	172.45
September 30, 2021	94.58	-

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1. Quarterly Consolidated Financial Statements

(1) Comparative Consolidated Balance Sheets

(¥ in millions, US\$ in thousands)

	Sep. 30, 2022 (A)	Mar. 31, 2022 (B)	(A)-(B)	Sep. 30, 2022
Assets				
Current assets	¥2,082,979	¥2,266,041	¥(183,062)	\$14,365,372
Cash and cash equivalents	412,839	421,219	(8,380)	2,847,166
Notes, accounts receivable and contract assets	756,109	859,186	(103,077)	5,214,544
Inventories	632,373	531,788	100,585	4,361,193
Other current assets	281,658	453,848	(172,190)	1,942,469
Long-term receivables	5,235	5,161	74	36,103
Investments	594,624	558,446	36,178	4,100,855
Property, plant and equipment	484,505	460,326	24,179	3,341,414
Operating lease right-of-use assets	96,620	105,027	(8,407)	666,345
Other assets	374,820	339,518	35,302	2,584,966
Total assets	¥3,638,783	¥3,734,519	¥(95,736)	\$25,095,055
Liabilities and equity				
Current liabilities	¥1,478,431	¥1,509,867	¥(31,436)	\$10,196,076
Short-term borrowings and current portion of long-term debt	104,806	75,680	29,126	722,800
Notes and accounts payable	469,674	482,266	(12,592)	3,239,131
Current operating lease liabilities	34,966	36,515	(1,549)	241,145
Other current liabilities	868,985	915,406	(46,421)	5,993,000
Accrued pension and severance costs	272,312	277,057	(4,745)	1,878,014
Non-current operating lease liabilities	64,674	72,568	(7,894)	446,027
Long-term debt and other liabilities	469,903	508,363	(38,460)	3,240,710
Equity	1,353,463	1,366,664	(13,201)	9,334,228
Equity attributable to shareholders of the Company	1,245,834	1,206,634	39,200	8,591,959
Common stock	200,869	200,869	-	1,385,303
Additional paid-in capital	4	-	4	28
Retained earnings	1,119,187	1,118,039	1,148	7,718,531
Accumulated other comprehensive loss	(71,919)	(110,011)	38,092	(495,993)
Treasury stock	(2,307)	(2,263)	(44)	(15,910)
Equity attributable to noncontrolling interests	107,629	160,030	(52,401)	742,269
Total liabilities and equity	¥3,638,783	¥3,734,519	¥(95,736)	\$25,095,055

Breakdown of accumulated other comprehensive loss

Net unrealized gains and losses on securities	¥(649)	¥(227)	¥(422)	\$(4,476)
Foreign currency translation adjustments	55,317	14,150	41,167	381,496
Pension liability adjustments	(114,247)	(119,821)	5,574	(787,910)
Unrealized gains and losses on derivative instruments	(12,340)	(4,113)	(8,227)	(85,103)
Total interest-bearing debt	¥493,296	¥502,422	¥(9,126)	\$3,402,041

**(2) Comparative Consolidated Statements of Operations and
Comparative Consolidated Statements of Comprehensive Income**

Comparative Consolidated Statements of Operations

1. First Six Months ended September 30

(¥ in millions, US\$ in thousands)

	Six months ended September 30				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Sales and other income					
Net sales	¥1,595,212	¥1,546,397	¥48,815	103%	\$11,001,462
Interest income	819	858	(39)	95%	5,648
Dividend income	1,011	878	133	115%	6,972
Equity in earnings of affiliates	31,811	25,394	6,417	125%	219,386
Other income	123,993	21,273	102,720	583%	855,124
Costs and expenses					
Cost of sales	1,195,731	1,139,530	56,201	105%	8,246,421
Selling, general and administrative expenses	386,343	361,891	24,452	107%	2,664,434
Impairment loss on goodwill	10,400	-	10,400	-	71,724
Interest expenses	2,532	2,185	347	116%	17,462
Other expenses	27,333	9,073	18,260	301%	188,503
Income before income taxes and noncontrolling interests	130,507	82,121	48,386	159%	900,048
Income taxes	19,955	12,423	7,532	161%	137,620
Net income before noncontrolling interests	110,552	69,698	40,854	159%	762,428
Less: Net income attributable to noncontrolling interests	9,891	9,903	(12)	100%	68,214
Net income attributable to shareholders of the Company	¥100,661	¥59,795	¥40,866	168%	\$694,214

Comparative Consolidated Statements of Operations

2. Second Quarter ended September 30

(¥ in millions, US\$ in thousands)

	Three months ended September 30				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Sales and other income					
Net sales	¥854,562	¥818,534	¥36,028	104%	\$5,893,531
Interest income	442	500	(58)	88%	3,048
Dividend income	28	0	28	-	193
Equity in earnings of affiliates	16,529	19,011	(2,482)	87%	113,993
Other income	83,811	7,615	76,196	-	578,007
Costs and expenses					
Cost of sales	639,033	604,205	34,828	106%	4,407,124
Selling, general and administrative expenses	197,583	183,881	13,702	107%	1,362,642
Impairment loss on goodwill	10,400	-	10,400	-	71,724
Interest expenses	1,182	1,120	62	106%	8,152
Other expenses	18,381	3,535	14,846	520%	126,764
Income before income taxes and noncontrolling interests	88,793	52,919	35,874	168%	612,366
Income taxes	14,398	6,702	7,696	215%	99,297
Net income before noncontrolling interests	74,395	46,217	28,178	161%	513,069
Less: Net income attributable to noncontrolling interests	(373)	4,418	(4,791)	-	(2,572)
Net income attributable to shareholders of the Company	¥74,768	¥41,799	¥32,969	179%	\$515,641

Comparative Consolidated Statements of Comprehensive Income

1. First Six Months ended September 30

(¥ in millions, US\$ in thousands)

	Six months ended September 30				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net income before noncontrolling interests	¥110,552	¥69,698	¥40,854	159%	\$762,428
Other comprehensive income (loss), net of tax					
Unrealized losses on securities	(422)	(49)	(373)	-	(2,910)
Foreign currency translation adjustments	41,353	(2,417)	43,770	-	285,192
Pension liability adjustments	6,025	4,643	1,382	130%	41,552
Unrealized gains (losses) on derivative instruments	(8,226)	497	(8,723)	-	(56,731)
Total other comprehensive income	38,730	2,674	36,056	-	267,103
Comprehensive income	149,282	72,372	76,910	206%	1,029,531
Less: Comprehensive income attributable to noncontrolling interests	10,529	9,940	589	106%	72,614
Comprehensive income attributable to shareholders of the Company	¥138,753	¥62,432	¥76,321	222%	\$956,917

2. Second Quarter ended September 30

(¥ in millions, US\$ in thousands)

	Three months ended September 30				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net income before noncontrolling interests	¥74,395	¥46,217	¥28,178	161%	\$513,069
Other comprehensive income (loss), net of tax					
Unrealized losses on securities	(223)	(31)	(192)	-	(1,538)
Foreign currency translation adjustments	3,765	1,070	2,695	352%	25,966
Pension liability adjustments	3,292	2,309	983	143%	22,703
Unrealized gains (losses) on derivative instruments	4,926	(531)	5,457	-	33,972
Total other comprehensive income	11,760	2,817	8,943	417%	81,103
Comprehensive income	86,155	49,034	37,121	176%	594,172
Less: Comprehensive income (loss) attributable to noncontrolling interests	(7,192)	4,384	(11,576)	-	(49,600)
Comprehensive income attributable to shareholders of the Company	¥93,347	¥44,650	¥48,697	209%	\$643,772

(3) Comparative Consolidated Statements of Cash Flows

First Six Months ended September 30

(¥ in millions, US\$ in thousands)

	Six months ended September 30			
	2022(A)	2021(B)	(A)-(B)	2022
Cash flows from operating activities				
Net income before noncontrolling interests	¥110,552	¥69,698	¥40,854	\$762,428
Depreciation and amortization	45,654	42,963	2,691	314,855
Equity in earnings of affiliates, net of dividends	(25,219)	(19,711)	(5,508)	(173,924)
Gain from sales and impairment of securities, net	(91,816)	(1,510)	(90,306)	(633,214)
Decrease in notes and accounts receivable, trade	134,373	133,660	713	926,711
Increase in inventories	(80,262)	(61,509)	(18,753)	(553,531)
Decrease in notes and accounts payable, trade	(38,785)	(9,220)	(29,565)	(267,483)
Others	(36,467)	30,146	(66,613)	(251,497)
Adjustments to reconcile net income before noncontrolling interests to net cash provided by operating activities	(92,522)	114,819	(207,341)	(638,083)
Net cash provided by operating activities	18,030	184,517	(166,487)	124,345
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment, intangible assets and securities	7,729	3,169	4,560	53,303
Acquisition of property, plant and equipment	(59,304)	(44,509)	(14,795)	(408,993)
Acquisition of intangible assets	(13,999)	(15,051)	1,052	(96,545)
Purchase of securities	(926)	(1,392)	466	(6,386)
Decrease in investments in affiliates	31,476	5,640	25,836	217,076
Proceeds from sale of Toshiba Carrier Corporation stock	83,801	-	83,801	577,938
Others	8,952	(932)	9,884	61,738
Net cash provided by (used in) investing activities	57,729	(53,075)	110,804	398,131
Cash flows from financing activities				
Proceeds from long-term debt	561	355	206	3,869
Repayment of long-term debt	(3,842)	(3,179)	(663)	(26,496)
Increase (decrease) in short-term borrowings, net	(2,593)	1,085	(3,678)	(17,883)
Dividends paid	(105,925)	(87,488)	(18,437)	(730,517)
Purchase of treasury stock, net	(44)	(100,123)	100,079	(303)
Others	(6)	(16)	10	(42)
Net cash used in financing activities	(111,849)	(189,366)	77,517	(771,372)
Effect of exchange rate changes on cash and cash equivalents	6,031	(1,842)	7,873	41,593
Net decrease in cash and cash equivalents	(30,059)	(59,766)	29,707	(207,303)
Cash and cash equivalents at beginning of the period	442,898	525,456	(82,558)	3,054,469
Cash and cash equivalents at end of the period	¥412,839	¥465,690	¥(52,851)	\$2,847,166

(4) Notes Relating to Assumptions for the Going Concern

Not applicable.

Consolidated

(5) Industry Segment Information and Net Sales by Region

Industry Segment Information

1. First Six Months ended September 30

(¥ in millions, US\$ in thousands)

		Six months ended September 30				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net sales (Share of total sales)	Energy Systems & Solutions	¥280,467 (16%)	¥236,017 (14%)	¥44,450 (2%)	119%	\$1,934,255
	Infrastructure Systems & Solutions	300,223 (18%)	272,084 (17%)	28,139 (1%)	110%	2,070,503
	Building Solutions	258,065 (15%)	285,805 (17%)	(27,740) (-2%)	90%	1,779,759
	Retail & Printing Solutions	246,243 (14%)	221,702 (13%)	24,541 (1%)	111%	1,698,228
	Electronic Devices & Storage Solutions	403,196 (24%)	432,856 (26%)	(29,660) (-2%)	93%	2,780,662
	Digital Solutions	104,836 (6%)	103,503 (6%)	1,333 (-%)	101%	723,007
	Others	109,366 (7%)	107,487 (7%)	1,879 (-%)	102%	754,248
	Total	1,702,396 (100%)	1,659,454 (100%)	42,942	103%	11,740,662
	Eliminations	(107,184)	(113,057)	5,873	-	(739,200)
Consolidated		¥1,595,212	¥1,546,397	¥48,815	103%	\$11,001,462
Segment operating income (loss)	Energy Systems & Solutions	¥(5,019)	¥4,531	¥(9,550)	-	\$(34,614)
	Infrastructure Systems & Solutions	3,172	259	2,913	-	21,876
	Building Solutions	662	10,216	(9,554)	6%	4,566
	Retail & Printing Solutions	(4,469)	4,286	(8,755)	-	(30,821)
	Electronic Devices & Storage Solutions	20,150	34,719	(14,569)	58%	138,966
	Digital Solutions	8,268	8,526	(258)	97%	57,021
	Others	(22,662)	(19,742)	(2,920)	-	(156,291)
	Total	102	42,795	(42,693)	0%	703
	Eliminations	2,636	2,181	455	-	18,180
Consolidated		¥2,738	¥44,976	¥(42,238)	6%	\$18,883

2. Second Quarter ended September 30

(¥ in millions, US\$ in thousands)

		Three months ended September 30				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net sales (Share of total sales)	Energy Systems & Solutions	¥158,624 (17%)	¥137,293 (16%)	¥21,331 (1%)	116%	\$1,093,959
	Infrastructure Systems & Solutions	165,093 (18%)	144,032 (16%)	21,061 (2%)	115%	1,138,572
	Building Solutions	115,760 (13%)	143,773 (16%)	(28,013) (-3%)	81%	798,345
	Retail & Printing Solutions	135,680 (15%)	111,230 (13%)	24,450 (2%)	122%	935,724
	Electronic Devices & Storage Solutions	221,664 (24%)	231,928 (26%)	(10,264) (-2%)	96%	1,528,717
	Digital Solutions	57,036 (6%)	54,997 (6%)	2,039 (-%)	104%	393,352
	Others	58,761 (7%)	57,056 (7%)	1,705 (-%)	103%	405,248
	Total	912,618 (100%)	880,309 (100%)	32,309	104%	6,293,917
	Eliminations	(58,056)	(61,775)	3,719	-	(400,386)
Consolidated		¥854,562	¥818,534	¥36,028	104%	\$5,893,531
Segment operating income (loss)	Energy Systems & Solutions	¥2,629	¥6,306	¥(3,677)	42%	\$18,131
	Infrastructure Systems & Solutions	2,715	661	2,054	411%	18,724
	Building Solutions	340	3,814	(3,474)	9%	2,345
	Retail & Printing Solutions	(4,700)	460	(5,160)	-	(32,414)
	Electronic Devices & Storage Solutions	12,482	24,404	(11,922)	51%	86,083
	Digital Solutions	5,813	5,626	187	103%	40,090
	Others	(12,200)	(11,776)	(424)	-	(84,138)
	Total	7,079	29,495	(22,416)	24%	48,821
	Eliminations	467	953	(486)	-	3,220
Consolidated		¥7,546	¥30,448	¥(22,902)	25%	\$52,041

Notes:

- 1) Segment sales total includes intersegment transactions.
- 2) Segment operating income (loss) is derived by deducting the segment's cost of sales and selling, general and administrative expenses and impairment loss on goodwill from net sales. This result is regularly reviewed to support decision-making in allocations of resources and to assess performance. Certain operating expenses such as legal settlement costs have been excluded from segment operating income (loss) presentation herein.

Net Sales by Region

1. First Six months ended September 30

(¥ in millions, US\$ in thousands)

		Six months ended September 30				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Japan		¥810,191 (51%)	¥777,449 (50%)	¥32,742 (1%)	104%	\$5,587,524
Overseas		785,021 (49%)	768,948 (50%)	16,073 (-1%)	102%	5,413,938
	Asia	416,650 (26%)	430,118 (28%)	(13,468) (-2%)	97%	2,873,448
	North America	216,856 (14%)	175,180 (11%)	41,676 (3%)	124%	1,495,559
	Europe	102,345 (6%)	116,184 (8%)	(13,839) (-2%)	88%	705,828
	Others	49,170 (3%)	47,466 (3%)	1,704 (-%)	104%	339,103
Net Sales		¥1,595,212 (100%)	¥1,546,397 (100%)	¥48,815	103%	\$11,001,462

2. Second Quarter ended September 30

(¥ in millions, US\$ in thousands)

		Three months ended September 30				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Japan		¥440,267 (51%)	¥419,054 (51%)	¥21,213 (-%)	105%	\$3,036,324
Overseas		414,295 (49%)	399,480 (49%)	14,815 (-%)	104%	2,857,207
	Asia	218,119 (26%)	226,802 (28%)	(8,683) (-2%)	96%	1,504,269
	North America	119,986 (14%)	85,627 (10%)	34,359 (4%)	140%	827,490
	Europe	49,480 (6%)	62,024 (8%)	(12,544) (-2%)	80%	341,241
	Others	26,710 (3%)	25,027 (3%)	1,683 (-%)	107%	184,207
Net Sales		¥854,562 (100%)	¥818,534 (100%)	¥36,028	104%	\$5,893,531

Note: Net sales by region is determined based upon the locations of the customers.

(6) Basis of Consolidated Financial Statements

Assets and Liabilities held for sale

The Company initially announced the transfer on February 7, 2022, that the Company and the US-based Carrier Corporation, a subsidiary of US-based Carrier Global Corporation (together, Carrier), had signed a share purchase agreement to transfer 55% of the outstanding shares of Toshiba Carrier Corporation (hereinafter TCC) held by Toshiba, and the transfer had anticipated completion of the transfer by September 30, 2022, after regulatory approval and other customary closing conditions. Subsequently, in response to a request from Carrier, the purchaser was amended from Carrier Corporation to Global Comfort Solutions LLC, a wholly owned subsidiary of Carrier Corporation. The sales process was completed on August 1, 2022.

As a result, the profit of 71,816 million yen was recorded in the first six months ended September 30, 2022, including the profit from transfer of shares of 61,857 million yen and stock valuation gain of 9,959 million yen. In addition, the profit recognized may subsequently change due to a transfer pricing adjustment based on changes to net working capital.

As of March 31, 2022, the Company has reclassified assets and liabilities owned by TCC and consolidated subsidiaries of TCC as held for sale. There are no valuation losses recorded as a result of this reclassification. Due to the completion of the sale on August 1, 2022, assets and liabilities owned by TCC and consolidated subsidiaries of TCC are not included in the Company's consolidated statements.

The details of assets and liabilities classified as held for sale are as follows. These assets and liabilities are reported in "Other current assets" and "Other current liabilities" in the Consolidated Balance Sheet.

Assets:	(¥ in millions, US\$ in thousands)		
	September 30, 2022	March 31, 2022	September 30, 2022
Cash and cash equivalents	¥ -	¥21,679	\$ -
Notes, accounts receivable and contract assets	-	66,688	-
Inventories	-	36,306	-
Other receivables	-	1,484	-
Investments in and advances to affiliates	-	31,550	-
Property, plant and equipment	-	44,570	-
Other assets	-	13,137	-
Total assets	¥ -	¥215,414	\$ -

Liabilities:	(¥ in millions, US\$ in thousands)		
	September 30, 2022	March 31, 2022	September 30, 2022
Short-term borrowings	¥ -	¥1,916	\$ -
Notes and accounts payable	-	43,323	-
Other payables and accrued expenses	-	10,486	-
Advance payments received	-	6,935	-
Accrued pension and severance costs	-	10,234	-
Other liabilities	-	19,766	-
Total liabilities	¥ -	¥92,660	\$ -

(7) Subsequent event

Dividend income

On October 28, 2022, the Company received cash dividends of 15.4 billion yen from TCC.

As a result, the Company will record dividend income of 15.4 billion yen in the third quarter of FY 2022.

(8) Notes Related to Significant Changes in Shareholder's Equity

Not applicable.

2. Others

(1) Changes in significant subsidiaries during the period (changes in Specified Subsidiaries (“Tokutei Kogaisha”) involving changes in the scope of consolidation):

Yes

In August 2022, the Company sold 55% of the outstanding shares of TCC to Global Comfort Solutions LLC, a wholly owned subsidiary of US-based Carrier Corporation. As a result, TCC and its subsidiaries were deconsolidated from Toshiba Group.

(2) Use of simplified accounting procedures, and particular accounting procedures in preparation of quarterly consolidated financial statements:

Income taxes

Interim income tax expense (benefit) is computed by multiplying income (loss) before income taxes and noncontrolling interests for the six-month period ended September 30, 2022 by a reasonably estimated annual effective tax rate after applying the effect of deferred taxes for FY2022, ending March 31, 2023.

Disclaimer:

This report of business results contains forward-looking statements concerning future plans, strategies and forecasts of Toshiba Group business results. These statements are based on management's assumptions and beliefs in light of the economic, financial and other data currently available. Since Toshiba Group is promoting business in various market environments in many countries and regions, it is subject to a number of risks and uncertainties. Toshiba therefore wishes to caution readers that actual results might differ materially from our expectations. Major risk factors that may have a material influence on results are indicated below, although this list is not exhaustive.

- Major disasters, including earthquakes and typhoons;
- Disputes, including lawsuits, in Japan and other countries;
- Success or failure of alliances or joint ventures promoted in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political and economic conditions in Japan and abroad; unexpected regulatory changes;
- Rapid changes in the supply and demand situation in major markets and intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market;
- Changes in financial markets, including fluctuations in interest rates and exchange rates.