

February 14, 2023
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Toshiba Announces Consolidated Results for the First Nine Months
and the Third 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 nine months (April-December) and the third quarter (October-December) of fiscal year (FY) 2022, ending March 31, 2023.

Note:

For convenience only, all dollar amounts used in reporting the third quarter of FY2022 are calculated at 133 yen to the dollar.

Consolidated Financial Results for the First Nine Months Ended December 31, 2022 (Under U.S. GAAP)

February 14, 2023

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 : February 14, 2023
 Scheduled date of dividend payment : -
 Supplemental materials of quarterly results : Yes
 Financial results briefing : Yes

1. Consolidated financial results for the first nine months ended December 31, 2022 (April 1, 2022 - December 31, 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	%
Nine months ended								
December 31, 2022	2,370,150	0.6	8,063	(90.8)	120,110	(21.0)	84,011	(26.9)
December 31, 2021	2,355,116	12.2	87,648	265.0	152,053	107.5	114,919	163.5

Note: Comprehensive income For the nine months ended December 31, 2022: ¥107,610 million ((18.8)%
 For the nine months ended December 31, 2021: ¥132,546 million (136.0%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended				
December 31, 2022	194.18		194.18	
December 31, 2021	259.60		258.52	

Note: For the nine months ended December 31, 2022, the stock options issued by the companies accounted for under the equity method are excluded from the calculation of diluted earnings per share, because they have an antidilutive effect.

(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					
December 31, 2022	3,505,989	1,290,003	1,188,708	33.9	2,747.63
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	3,320,000	(0.5)	95,000	(40.2)

Note: Revisions to the forecast of consolidated results most recently announced: Yes

Reflecting the latest trends, revised downward sales by 30 billion yen and operating income by 30 billion yen from the forecast on November 11, 2022.

Note: Since Toshiba is not involved in the management of Kioxia Holdings Corporation (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 December 31, 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 December 31, 2022	507,910 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)

Nine months ended December 31, 2022	432,638,628 shares
Nine months ended December 31, 2021	442,677,797 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 December 31, 2022 (October 1, 2022 - December 31, 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								
December 31, 2022	774,938	(4.2)	5,325	(87.5)	(10,397)	-	(16,650)	-
December 31, 2021	808,719	11.1	42,672	104.2	69,932	31.4	55,124	37.4

Note: Comprehensive income For the three months ended December 31, 2022: ¥(31,143 million) (-)
 For the three months ended December 31, 2021: ¥70,114 million (49.6%)

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
December 31, 2022	(38.49)	(38.49)
December 31, 2021	127.45	126.91

Note: For the three months ended December 31, 2022, the stock options issued by the companies accounted for under the equity method are excluded from the calculation of diluted earnings per share, because they have an antidilutive effect.

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1. Quarterly Consolidated Financial Statements

(1) Comparative Consolidated Balance Sheets

(¥ in millions, US\$ in thousands)

	Dec. 31, 2022 (A)	Mar. 31, 2022 (B)	(A)-(B)	Dec. 31, 2022
Assets				
Current assets	¥1,990,979	¥2,266,041	¥(275,062)	\$14,969,767
Cash and cash equivalents	277,457	421,219	(143,762)	2,086,143
Notes, accounts receivable and contract assets	737,578	859,186	(121,608)	5,545,699
Inventories	667,778	531,788	135,990	5,020,887
Other current assets	308,166	453,848	(145,682)	2,317,038
Long-term receivables	4,648	5,161	(513)	34,947
Investments	568,825	558,446	10,379	4,276,880
Property, plant and equipment	484,379	460,326	24,053	3,641,947
Operating lease right-of-use assets	91,850	105,027	(13,177)	690,602
Other assets	365,308	339,518	25,790	2,746,677
Total assets	¥3,505,989	¥3,734,519	¥(228,530)	\$26,360,820
Liabilities and equity				
Current liabilities	¥1,385,832	¥1,509,867	¥(124,035)	\$10,419,789
Short-term borrowings and current portion of long-term debt	75,120	75,680	(560)	564,812
Notes and accounts payable	437,571	482,266	(44,695)	3,290,007
Current operating lease liabilities	34,078	36,515	(2,437)	256,226
Other current liabilities	839,063	915,406	(76,343)	6,308,744
Accrued pension and severance costs	271,836	277,057	(5,221)	2,043,880
Non-current operating lease liabilities	60,540	72,568	(12,028)	455,188
Long-term debt and other liabilities	497,778	508,363	(10,585)	3,742,692
Equity	1,290,003	1,366,664	(76,661)	9,699,271
Equity attributable to shareholders of the Company	1,188,708	1,206,634	(17,926)	8,937,654
Common stock	200,869	200,869	-	1,510,293
Additional paid-in capital	1	-	1	8
Retained earnings	1,076,579	1,118,039	(41,460)	8,094,579
Accumulated other comprehensive loss	(86,412)	(110,011)	23,599	(649,714)
Treasury stock	(2,329)	(2,263)	(66)	(17,512)
Equity attributable to noncontrolling interests	101,295	160,030	(58,735)	761,617
Total liabilities and equity	¥3,505,989	¥3,734,519	¥(228,530)	\$26,360,820

Breakdown of accumulated other comprehensive loss

Net unrealized gains and losses on securities	¥(559)	¥(227)	¥(332)	\$(4,203)
Foreign currency translation adjustments	26,693	14,150	12,543	200,700
Pension liability adjustments	(112,356)	(119,821)	7,465	(844,782)
Unrealized gains and losses on derivative instruments	(190)	(4,113)	3,923	(1,429)
Total interest-bearing debt	¥488,559	¥502,422	¥(13,863)	\$3,673,376

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

Comparative Consolidated Statements of Operations

1. First Nine Months ended December 31

(¥ in millions, US\$ in thousands)

	Nine months ended December 31				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Sales and other income					
Net sales	¥2,370,150	¥2,355,116	¥15,034	101%	\$17,820,677
Interest income	1,487	1,396	91	107%	11,180
Dividend income	16,551	1,059	15,492	-	124,444
Equity in earnings of affiliates	847	49,012	(48,165)	2%	6,368
Other income	130,417	32,353	98,064	403%	980,579
Costs and expenses					
Cost of sales	1,771,134	1,730,284	40,850	102%	13,316,797
Selling, general and administrative expenses	570,359	537,184	33,175	106%	4,288,414
Impairment loss on goodwill	20,594	-	20,594	-	154,842
Interest expenses	3,756	3,253	503	115%	28,241
Other expenses	33,499	16,162	17,337	207%	251,871
Income before income taxes and noncontrolling interests	120,110	152,053	(31,943)	79%	903,083
Income taxes	25,701	22,672	3,029	113%	193,241
Net income before noncontrolling interests	94,409	129,381	(34,972)	73%	709,842
Less: Net income attributable to noncontrolling interests	10,398	14,462	(4,064)	72%	78,180
Net income attributable to shareholders of the Company	¥84,011	¥114,919	¥(30,908)	73%	\$631,662

Comparative Consolidated Statements of Operations

2. Third Quarter ended December 31

(¥ in millions, US\$ in thousands)

	Three months ended December 31				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Sales and other income					
Net sales	¥774,938	¥808,719	¥(33,781)	96%	\$5,826,602
Interest income	668	538	130	124%	5,023
Dividend income	15,540	181	15,359	-	116,842
Equity in earnings of affiliates	-	23,618	(23,618)	-	-
Other income	8,472	11,642	(3,170)	73%	63,699
Costs and expenses					
Cost of sales	575,403	590,754	(15,351)	97%	4,326,338
Selling, general and administrative expenses	184,016	175,293	8,723	105%	1,383,579
Impairment loss on goodwill	10,194	-	10,194	-	76,647
Interest expenses	1,224	1,068	156	115%	9,203
Equity in losses of affiliates	30,964	-	30,964	-	232,812
Other expenses	8,214	7,651	563	107%	61,760
Income (loss) before income taxes and noncontrolling interests	(10,397)	69,932	(80,329)	-	(78,173)
Income taxes	5,746	10,249	(4,503)	56%	43,203
Net income (loss) before noncontrolling interests	(16,143)	59,683	(75,826)	-	(121,376)
Less: Net income attributable to noncontrolling interests	507	4,559	(4,052)	11%	3,812
Net income (loss) attributable to shareholders of the Company	¥(16,650)	¥55,124	¥(71,774)	-	\$ (125,188)

Comparative Consolidated Statements of Comprehensive Income

1. First Nine Months ended December 31

(¥ in millions, US\$ in thousands)

	Nine months ended December 31				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net income before noncontrolling interests	¥94,409	¥129,381	¥(34,972)	73%	\$709,842
Other comprehensive income (loss), net of tax					
Unrealized losses on securities	(332)	(33)	(299)	-	(2,496)
Foreign currency translation adjustments	7,670	12,920	(5,250)	59%	57,669
Pension liability adjustments	7,916	6,974	942	114%	59,519
Unrealized gains on derivative instruments	3,924	701	3,223	560%	29,504
Total other comprehensive income (loss)	19,178	20,562	(1,384)	93%	144,196
Comprehensive income	113,587	149,943	(36,356)	76%	854,038
Less: Comprehensive income attributable to noncontrolling interests	5,977	17,397	(11,420)	34%	44,940
Comprehensive income attributable to shareholders of the Company	¥107,610	¥132,546	¥(24,936)	81%	\$809,098

2. Third Quarter ended December 31

(¥ in millions, US\$ in thousands)

	Three months ended December 31				
	2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net income (loss) before noncontrolling interests	¥(16,143)	¥59,683	¥(75,826)	-	\$(121,376)
Other comprehensive income (loss), net of tax					
Unrealized gains on securities	90	16	74	563%	677
Foreign currency translation adjustments	(33,683)	15,337	(49,020)	-	(253,255)
Pension liability adjustments	1,891	2,331	(440)	81%	14,218
Unrealized gains on derivative instruments	12,150	204	11,946	-	91,353
Total other comprehensive income (loss)	(19,552)	17,888	(37,440)	-	(147,007)
Comprehensive income (loss)	(35,695)	77,571	(113,266)	-	(268,383)
Less: Comprehensive income (loss) attributable to noncontrolling interests	(4,552)	7,457	(12,009)	-	(34,225)
Comprehensive income (loss) attributable to shareholders of the Company	¥(31,143)	¥70,114	¥(101,257)	-	\$(234,158)

(3) Comparative Consolidated Statements of Cash Flows

First Nine Months ended December 31

(¥ in millions, US\$ in thousands)

	Nine months ended December 31			
	2022(A)	2021(B)	(A)-(B)	2022
Cash flows from operating activities				
Net income before noncontrolling interests	¥94,409	¥129,381	¥(34,972)	\$709,842
Depreciation and amortization	69,423	64,725	4,698	521,977
Equity in (earnings) losses of affiliates, net of dividends	6,113	(42,973)	49,086	45,962
Gain from sales and impairment of securities, net	(91,207)	(1,692)	(89,515)	(685,767)
Decrease in notes and accounts receivable, trade	136,910	87,679	49,231	1,029,399
Increase in inventories	(131,689)	(125,949)	(5,740)	(990,143)
Increase (decrease) in notes and accounts payable, trade	(57,775)	31,559	(89,334)	(434,398)
Others	(83,074)	22,477	(105,551)	(624,616)
Adjustments to reconcile net income before noncontrolling interests to net cash provided by (used in) operating activities	(151,299)	35,826	(187,125)	(1,137,586)
Net cash provided by (used in) operating activities	(56,890)	165,207	(222,097)	(427,744)
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment, intangible assets and securities	8,547	8,708	(161)	64,263
Acquisition of property, plant and equipment	(82,183)	(63,527)	(18,656)	(617,917)
Acquisition of intangible assets	(20,950)	(26,446)	5,496	(157,519)
Purchase of securities	(1,090)	(2,441)	1,351	(8,196)
Decrease in investments in affiliates	31,459	5,640	25,819	236,534
Proceeds from sale of Toshiba Carrier Corporation stock	83,801	-	83,801	630,083
Others	10,642	(3,134)	13,776	80,015
Net cash provided by (used in) investing activities	30,226	(81,200)	111,426	227,263
Cash flows from financing activities				
Proceeds from long-term debt	35,915	537	35,378	270,038
Repayment of long-term debt	(40,608)	(4,631)	(35,977)	(305,323)
Increase (decrease) in short-term borrowings, net	(1,374)	935	(2,309)	(10,331)
Dividends paid	(132,489)	(108,323)	(24,166)	(996,158)
Purchase of treasury stock, net	(66)	(100,147)	100,081	(496)
Others	(14)	(58)	44	(106)
Net cash used in financing activities	(138,636)	(211,687)	73,051	(1,042,376)
Effect of exchange rate changes on cash and cash equivalents	(141)	632	(773)	(1,060)
Net decrease in cash and cash equivalents	(165,441)	(127,048)	(38,393)	(1,243,917)
Cash and cash equivalents at beginning of the period	442,898	525,456	(82,558)	3,330,060
Cash and cash equivalents at end of the period	¥277,457	¥398,408	¥(120,951)	\$2,086,143

(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 Nine Months ended December 31

(¥ in millions, US\$ in thousands)

		Nine months ended December 31				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net sales (Share of total sales)	Energy Systems & Solutions	¥440,229 (17%)	¥361,475 (14%)	¥78,754 (3%)	122%	\$3,309,992
	Infrastructure Systems & Solutions	445,025 (18%)	416,560 (17%)	28,465 (1%)	107%	3,346,053
	Building Solutions	348,378 (14%)	434,452 (17%)	(86,074) (-3%)	80%	2,619,383
	Retail & Printing Solutions	376,844 (15%)	334,647 (13%)	42,197 (2%)	113%	2,833,414
	Electronic Devices & Storage Solutions	600,133 (24%)	659,768 (26%)	(59,635) (-2%)	91%	4,512,278
	Digital Solutions	158,890 (6%)	156,067 (6%)	2,823 (-%)	102%	1,194,662
	Others	162,573 (6%)	160,950 (7%)	1,623 (-1%)	101%	1,222,353
	Total	2,532,072 (100%)	2,523,919 (100%)	8,153	100%	19,038,135
	Eliminations	(161,922)	(168,803)	6,881	-	(1,217,458)
	Consolidated	¥2,370,150	¥2,355,116	¥15,034	101%	\$17,820,677
Segment operating income (loss)	Energy Systems & Solutions	¥(10,858)	¥8,120	¥(18,978)	-	\$(81,639)
	Infrastructure Systems & Solutions	8,267	6,885	1,382	120%	62,158
	Building Solutions	4,118	17,900	(13,782)	23%	30,962
	Retail & Printing Solutions	(8,444)	8,705	(17,149)	-	(63,489)
	Electronic Devices & Storage Solutions	29,237	55,765	(26,528)	52%	219,827
	Digital Solutions	13,470	13,198	272	102%	101,278
	Others	(32,390)	(27,904)	(4,486)	-	(243,533)
	Total	3,400	82,669	(79,269)	4%	25,564
	Eliminations	4,663	4,979	(316)	-	35,060
Consolidated	¥8,063	¥87,648	¥(79,585)	9%	\$60,624	

2. Third Quarter ended December 31

(¥ in millions, US\$ in thousands)

		Three months ended December 31				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Net sales (Share of total sales)	Energy Systems & Solutions	¥159,762 (19%)	¥125,458 (15%)	¥34,304 (4%)	127%	\$1,201,218
	Infrastructure Systems & Solutions	144,802 (17%)	144,476 (17%)	326 (-%)	100%	1,088,737
	Building Solutions	90,313 (11%)	148,647 (17%)	(58,334) (-6%)	61%	679,045
	Retail & Printing Solutions	130,601 (16%)	112,945 (13%)	17,656 (3%)	116%	981,962
	Electronic Devices & Storage Solutions	196,937 (24%)	226,912 (26%)	(29,975) (-2%)	87%	1,480,729
	Digital Solutions	54,054 (7%)	52,564 (6%)	1,490 (1%)	103%	406,421
	Others	53,207 (6%)	53,463 (6%)	(256) (-%)	100%	400,053
	Total	829,676 (100%)	864,465 (100%)	(34,789)	96%	6,238,165
	Eliminations	(54,738)	(55,746)	1,008	-	(411,563)
Consolidated		¥774,938	¥808,719	¥(33,781)	96%	\$5,826,602
Segment operating income (loss)	Energy Systems & Solutions	¥(5,839)	¥3,589	¥(9,428)	-	\$(43,902)
	Infrastructure Systems & Solutions	5,095	6,626	(1,531)	77%	38,308
	Building Solutions	3,456	7,684	(4,228)	45%	25,985
	Retail & Printing Solutions	(3,975)	4,419	(8,394)	-	(29,887)
	Electronic Devices & Storage Solutions	9,087	21,046	(11,959)	43%	68,323
	Digital Solutions	5,202	4,672	530	111%	39,113
	Others	(9,728)	(8,162)	(1,566)	-	(73,143)
	Total	3,298	39,874	(36,576)	8%	24,797
	Eliminations	2,027	2,798	(771)	-	15,241
Consolidated		¥5,325	¥42,672	¥(37,347)	12%	\$40,038

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 Nine Months ended December 31

(¥ in millions, US\$ in thousands)

		Nine months ended December 31				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Japan		¥1,216,273 (51%)	¥1,180,349 (50%)	¥35,924 (1%)	103%	\$9,144,910
Overseas		1,153,877 (49%)	1,174,767 (50%)	(20,890) (-1%)	98%	8,675,767
	Asia	604,995 (26%)	667,090 (28%)	(62,095) (-2%)	91%	4,548,835
	North America	320,853 (14%)	268,545 (11%)	52,308 (3%)	119%	2,412,429
	Europe	152,804 (6%)	172,915 (7%)	(20,111) (-1%)	88%	1,148,902
	Others	75,225 (3%)	66,217 (4%)	9,008 (-1%)	114%	565,601
Net Sales		¥2,370,150 (100%)	¥2,355,116 (100%)	¥15,034	101%	\$17,820,677

2. Third Quarter ended December 31

(¥ in millions, US\$ in thousands)

		Three months ended December 31				
		2022(A)	2021(B)	(A)-(B)	(A)/(B)	2022
Japan		¥406,082 (52%)	¥402,900 (50%)	¥3,182 (2%)	101%	\$3,053,249
Overseas		368,856 (48%)	405,819 (50%)	(36,963) (-2%)	91%	2,773,353
	Asia	188,345 (24%)	236,972 (29%)	(48,627) (-5%)	79%	1,416,128
	North America	103,997 (13%)	93,365 (12%)	10,632 (1%)	111%	781,932
	Europe	50,459 (7%)	56,731 (7%)	(6,272) (-%)	89%	379,391
	Others	26,055 (4%)	18,751 (2%)	7,304 (2%)	139%	195,902
Net Sales		¥774,938 (100%)	¥808,719 (100%)	¥(33,781)	96%	\$5,826,602

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 nine months ended December 31, 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)		
	December 31, 2022	March 31, 2022	December 31, 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)		
	December 31, 2022	March 31, 2022	December 31, 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

Not applicable.

(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 nine-month period ended December 31, 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.