

TOSHIBA

FY2024 Consolidated Business Results

Toshiba Corporation
May 15, 2025

Highlights

Higher sales and higher operating income YoY; Highest net sales, operating income and net income^{*1}

	FY2023	FY2024	Difference
Net sales	3,285.8	3,513.9	+228.1
Operating income (before provisions, etc.)	148.4	253.9	+105.5
ROS	4.5%	7.2%	+2.7%pt
Provisions, etc. ^{*2}	-108.5	-55.4	+53.1
Operating income	39.9	198.5	+158.6
ROS	1.2%	5.6%	+4.4%pt
Non-operating income	-60.2	179.8	+240.0
Equity earnings from Kioxia ^{*3} (included)	-87.3	102.3	+189.6
Income before income taxes	-20.3	378.3	+398.6
Net income	-74.8	279.0	+353.8
EBITDA ^{*4}	180.0	338.3	+158.3
EBITDA margin	5.5%	9.6%	+4.1%pt
Free cash flows ^{*5}	109.6	203.4	+93.8
Cash flows from operating activities	230.7	270.5	+39.8
Cash flows from investing activities	-121.1	-67.1	+54.0
Average exchange rate during the fiscal year (US\$)	144 yen	153 yen	+9 yen

(Yen in billions)

* The Group's financial statements are based on US-GAAP.

*1 Since FY2018, when the memory business was excluded from the company's portfolio *2 Provision for product warranty, etc., and analysis of project costs, etc. *3 Kioxia Holdings Corporation

*4 EBITDA=Operating income + Depreciation + Goodwill impairment *5 Free cash flows exclude the impact of restricted cash

Comment on FY2024 Consolidated Business Results

Operating income approximately five times higher than in the previous fiscal year

Management reforms and self-help efforts, such as price reviews and fixed cost reductions, made solid contributions

Koji Ikeya, Corporate Officer and Corporate Senior Executive Vice President, made the following comment on the FY2024 Consolidated Business Results.

- Continuing from Q3, net sales increased, while operating income before and after provisions, etc., and net income **were all in the black and significantly surpassed the previous year. This allowed us to achieve the highest results since the exclusion of the memory business from the company's portfolio.**
- **Substantial increases in operating income in all segments, both before and after provisions, etc.,** reflected good performances in HDDs and Others, Power Generation Systems, Transmission & Distribution Systems, Railways and Industrial Systems, etc., and an improvement in Building Solutions, which advanced profit-focused reforms.
- As a result, **operating income was 198.5 billion yen, approximately five times that of the last fiscal year. Management reforms and self-help efforts, such as price reviews and fixed cost reductions, are steadily bearing fruit.** Reinforced risk analysis suppressed provisions, etc. by approximately half YoY.
- Net income was **279.0 billion yen (+353.8 billion yen YoY), a significant increase and a continuation from Q3,** on an increase in equity earnings from affiliates due to Kioxia's improved performance.
- We announced "Toshiba's Revitalization Plan," our medium-term business plan in May last year. **In the first year of the plan, we made a good start** to realizing a leaner and stronger company. In its second year, **FY2025, we are now in a phase where we are focused on preparing for medium- to long-term growth:** we will **further expand profitability** and advance measures to **achieve an ROS of 10% by FY2026.**

Supplementary Explanation on FY2024 Consolidated Business Results

Category	Explanation
Net sales	<ul style="list-style-type: none"> Although Nuclear Power Systems saw a decrease due to differences in project volumes, etc., overall net sales increased YoY (+6.9%), on increased sales in HDDs and Others, Public Infrastructure, Transmission & Distribution Systems, Railways & Industrial Systems and Digital Solutions, etc.
Operating income	<ul style="list-style-type: none"> Alongside such external factors as market conditions and exchange rates, the effects of management reforms and of self-help efforts, such as improving the marginal profit and fixed cost ratios, contributed to higher operating income, a continuation from Q3. A decrease in the provision for product warranty and higher operating income on higher sales in HDDs and Others, and higher operating income in Railways & Industrial Systems, Power Generation Systems, Transmission & Distribution Systems, Building Solutions (the elevator business in Japan), and Public Infrastructure, etc., resulted in a significant YoY increase in operating income, to approximately five times that of the last fiscal year. (FY2023: 39.9 billion yen → FY2024: 198.5 billion yen) Although continued group-wide risk analysis still recorded provisions for some projects (-55.4 billion yen*), provisions, etc. was reduced by half YoY on a decrease in the provision for product warranty (a total suppression of 53.1 billion yen).
Net income	<ul style="list-style-type: none"> Net income turned into the black and increased significantly YoY (+353.8 billion yen), on increased equity earnings from Kioxia's improved performance, etc.
FCF	<ul style="list-style-type: none"> Despite the impact of taxes and costs related to an early retirement program, etc., YoY free cash flows increased significantly on improvements in EBITDA and working capital, etc. (+93.8 billion yen).
Orders received and order backlog	<ul style="list-style-type: none"> Orders received increased YoY, on orders for large-scale projects in Energy Systems & Solutions. Order backlog also saw a YoY increase from large-scale projects in Energy Systems & Solutions and an increase in orders for Infrastructure Systems & Solutions. Both orders received and order backlog were the highest recorded since FY2018, when the current disclosure started.

Forward-looking Statements

- This presentation contains forward-looking statements concerning plans, strategies, and the performance of Toshiba Corporation and its consolidated subsidiaries.
- These forward-looking statements are not historical facts; rather, they are based on management's assumptions and beliefs in light of the economic, financial, and other data currently available.
- Since Toshiba Group promotes business in various market environments in many countries and regions, its activities are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations, and other factors. Toshiba therefore wishes to caution readers that actual results might differ from the expectations.
- Toshiba Group's fiscal year (FY) runs from April 1 to March 31. H1 refers to the first six months (April–September); H2 refers to the latter six months (October–March); Q1 refers to the first quarter (April–June); Q2 refers to the second quarter (July–September); Q3 refers to the third quarter (October–December); and Q4 refers to the fourth quarter (January–March).
- All figures are consolidated totals for the FY2024, unless otherwise stated.
- FY2024 results are unaudited figures, as of May 15, 2025.

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