TOSHIBA

FY2026 First Quarter Consolidated Business Results

Toshiba Corporation

August 7, 2026

Highlights

Continuing from FY2025, net sales and operating income performed well
Operating income, ROS, and net income all reached record highs for Q1 results

(Yen in billions)

	FY2025/Q1	FY2026/Q1	Difference
Net sales	737.9	**937.1**	+199.2
Operating income (before provisions, etc.)	41.6	**112.8**	+71.2
ROS	5.6%	**12.0%**	+6.4%pt
Provisions, etc. [*1]	-1.5	**-0.9**	+0.6
Operating income	40.1	**111.9**	+71.8
ROS	5.4%	**11.9%**	+6.5%pt
Non-operating income	153.3	**6,348.9**	+6,195.6
Income related to Kioxia [*2] (included)	6.1	**6,329.4**	+6,323.3
Income before income taxes	193.4	**6,460.8**	+6,267.4
Net income	146.9	**4,467.3**	+4,320.4
EBITDA [*3]	65.2	**136.5**	+71.3
EBITDA margin	8.8%	**14.6%**	+5.8%pt
Free cash flows [*4]	262.7	**617.3**	+354.6
Cash flows from operating activities	144.4	**171.1**	+26.7
Cash flows from investing activities	118.3	**446.2**	+327.9
Average exchange rate during the fiscal year (US$)	145 yen	**160 yen**	+15 yen

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

*1 Analysis of project costs, etc. *2 Kioxia Holdings Corporation *3 EBITDA = Operating income + Depreciation + Impairment loss
*4 Free cash flows exclude the impact of restricted cash and a loan to the parent company

Comment on FY2026/Q1 Consolidated Business Results

Year-on-year, net sales increased approximately 30%, operating income approximately three times, and net income was over 30 times higher.
Solid performances by core businesses, the valuation of Kioxia shares, etc., generated the company's highest ever Q1 operating income, ROS (11.9%), and net income.

Koji Ikeya, Corporate Officer and Corporate Senior Executive Vice President, made the following comment on the FY2026/Q1 Consolidated Business Results.

- **Net sales increased approximately 30% YoY** and **operating income was approximately three times higher, significantly surpassing results for the same period a year earlier**. **Operating income and ROS, at 11.9%, both recorded Q1 highs**. The three Business Segments (BS) – Energy, Digital Infrastructure, and Devices & Technology – and Retail & Printing **all recorded increased sales and operating income**.
- Operating income **achieved an overall increase, as businesses such as HDD, Transmission & Distribution, Thermal Power, and Industrial Systems particularly stayed firm under the robust demand for data centers driven by the rapid adoption of generative AI.** Retail & Printing saw a persistent impact from US tariffs throughout the previous fiscal period but **minimized their effect** in this period through continued pricing measures and restructuring.
- **Net income** was over 30 times higher YoY, due to factors including the valuation of Kioxia shares, **marking a record increase** and the **highest ever**.
- **Q1 business results got off to an extremely strong start, supported by solidifying the earning power of core businesses and continuing management reforms and self-help efforts, including price reviews and fixed cost reductions.** We will accelerate measures to capture expanding market opportunities in areas such as Energy, Data Center, Physical AI, and Defense to **achieve a group-wide ROS of 10% in FY2026**, a key target of "Toshiba's Revitalization Plan," our medium-term business plan, and to drive further growth from FY2027.

Supplementary Explanation on FY2026/Q1 Consolidated Business Results

Category	Explanation
Net sales	• The Devices & Technology BS saw increased sales in HDD, Semiconductors, etc.; the Energy BS in Nuclear Power, Thermal Power, etc.; and the Digital Infrastructure BS in Industrial Systems, Railways, Defense, etc. **Higher sales in all business areas**, including Retail & Printing, **resulted in an overall YoY increase in net sales** of 27.0%, **close to 30%**.
Operating income	• Alongside higher operating income from higher sales, **the effects of management reforms and self-help efforts, such as improving the marginal profit and fixed cost ratios, continued from FY2025 and contributed to higher operating income in all business areas**. • The Energy BS performed well in Transmission & Distribution, Thermal & Hydro Power, Nuclear Power, etc.; the Digital Infrastructure BS in Industrial Systems, Railways, Defense, etc.; and the Devices & Technology BS in HDD, Semiconductors, etc. They combined to significantly boost operating income **by approximately three times YoY**. **(FY2025/Q1 40.1 billion yen → FY2026/Q1 111.9 billion yen)**
Net income	• **The significant YoY increase** reflects profit from the valuation of shares in Kioxia and other factors **(+4,320.4 billion yen)**.
FCF	• Improved cash flows from investing activities including profit from the sales of Kioxia shares, and improved cash flows from operating activities due to improvements in EBITDA and working capital, etc., resulted in **a significant YoY increase (+354.6 billion yen)**.
Orders received and order backlog	• Orders received remained strong, mainly in the Energy BS. • Order backlog saw a YoY increase due to an increase in orders for the Energy BS, and **was 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 first three months of FY2026, unless otherwise stated.

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