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Business Report From April 1, 2021 to March 31, 2022

1. Business Environment and Results of the Group

Operation and Results of the Group

During FY2021 (April 2021-March 2022), the global economy has recovered steadily, as the impact of the coronavirus pandemic (COVID-19) has eased. The U.S. economy has recovered steadily. China also has shown signs of recovery, though the resurgence of COVID-19 has restrained the economic activities in some parts of the country. The Eurozone economy has experienced stable recovery, although conditions remains difficult in some areas. In Japan, consumer spending and capital investment have recovered steadily, and exports were generally stable.

In FY2022 (April 2022-March 2023), the U.S. and China are both expected to continue gradual recovery. The same is true for the Eurozone, but there is downside economic risk from the impact of situation in Ukraine. Japan expects to see continued improvement, as country has taken measures to prevent infection and moved toward the normalization of economic and social activities, but close attention must be given to downside risk, such as the uncertainties caused by the situation in Ukraine and supply side constraints from rising raw material prices.

In these conditions, Toshiba Group's net sales increased by 282.6 billion yen to 3,337.0 billion yen (US$27,352.2 million). Energy Systems & Solutions recorded higher sales reflecting an increase in overseas thermal and hydro power projects and higher sales from transmission and distribution systems. Infrastructure Systems & Solutions saw same level of sales overall, higher sales in public infrastructure, but lower sales in railways and industrial systems due to a decline in scale mainly in industrial systems business. Building Solutions recorded higher sales in elevators and air-conditioning systems. Retail & Printing Solutions recorded higher sales in both the retail and printing businesses, while Electronic Devices & Storage Solutions experienced higher sales in both semiconductors and HDDs & others. Digital Solutions recorded higher sales, as a result of an increase in government system projects etc.

Operating income was 158.9 billion yen (US$1,302.8 million), an increase of 54.5 billion yen. Infrastructure Systems & Solutions and Others reported lower operating income, while Energy Systems, Building Solutions, Retail & Printing Solutions, Electronic Devices & Storage Solutions, and Digital Solutions all recorded higher operating income.

Income (loss) from continuing operations, before income taxes and noncontrolling interests was 85.6 billion yen higher at 239.1 billion yen (US$1,959.9 million), reflecting higher operating income and an increase in equity earnings from Kioxia Holdings Corporation etc.

Net income (loss) attributable to shareholders of the Company increased by 80.7 billion yen to 194.7 billion yen (US$1,595.5 million).
The Company paid a special dividend, to shareholders registered as of June 30, 2021, of 110 yen per share dividend (interim), to shareholders registered as of September 30, 2021, of 40 yen per share, to shareholders in December 2021 and a dividend (year-end) to shareholders

registered as of March 31, 2022, of 70 yen per share to shareholders in June 2022. As result of such dividend, total amount of dividend per share is 220 yen.

Performance by Segment

Net sales and operating income (loss) by segment are as follows:

(Yen in billions)

	Net Sales		Operating Income (Loss)	
		Change*		Change*
Energy Systems & Solutions	559.0	65.8	35.6	24.8
Infrastructure Systems & Solutions	654.7	0.1	41.7	△6.1
Building Solutions	599.0	53.8	26.3	2.6
Retail & Printing Solutions	453.2	42.6	11.7	9.7
Electronic Devices & Storage Solutions	859.8	148.5	65.7	53.2
Digital Solutions	230.6	8.9	24.4	4.5
Others	216.5	△31.0	△52.7	△32.5
Eliminations	△235.8	△6.1	6.2	△1.7
Total	3,337.0	282.6	158.9	54.5

(* Change from the year-earlier period)

Energy Systems & Solutions

Main Businesses	As of March 31, 2022
Nuclear power generation systems, Solar Photovoltaic systems, Thermal power generation systems, Transmission & Distribution systems, Hydroelectric power generation systems	

Business Overview

In power generation systems, sales of nuclear power decreased due to the impact of differences in the progress of processes related to safety measures. However, sales of thermal and hydroelectric power increased due to differences in the size of overseas projects. Sales of transmission, transformation, and distribution systems increased due to higher sales of transmission, transformation, and distribution systems. As a result, overall sales of power generation systems increased.
In terms of profit and loss, both power generation systems and transmission, transformation, distribution, etc. increased due to the impact of increased sales, resulting in an overall increase in profit for the division as a whole.

Topics

(1) Proposal of CO_2 Resource Utilization Study Adopted by Ministry of the Environment as a Model Business

In response to the call by the Global Environment Bureau, Ministry of the Environment, for "Projects to Promote the Creation of Circular Carbon Society Model through CO_2 Recycling," Toshiba Corporation, Toshiba Energy Systems & Solutions Corporation, Toyo Engineering Corporation, Idemitsu Kosan Co., Ltd., Japan CCS Co., Ltd., and All Nippon Airways Co., Ltd. proposed a "Regional CO_2 Resource Utilization Study Business Through Electrolysis Utilizing Artificial Photosynthesis Technology," which was subsequently adopted as a commissioned project.
The six companies combined technology to convert carbon dioxide (CO_2) to carbon monoxide (CO) developed at the Toshiba Corporate Research & Development Center (Artificial Photosynthesis Technology) with technology to synthesize liquid fuel from CO and hydrogen, using it to manufacture sustainable aviation fuel and to investigate carbon recycling business models. This initiative was adopted by the Ministry of Environment as a commissioned project. Toshiba Energy Systems & Solutions Corporation will build a prototype of a full-scale CO_2 electrolysis device and demonstrate its operation. All six companies will create a basic plan to utilize their knowledge, technology, related plant equipment, and other resources to demonstrate the entire process from the separation and collection of CO_2 to the production and consumption of aviation fuel. Going forward, the data and knowledge obtained from this commissioned project will be reflected in the carbon recycling society model and used to evaluate the feasibility of the business.
Through this demonstration project, the six companies will contribute to the commercialization of a sustainable aviation fuel supply chain based on carbon recycling, as well as promoting regional revitalization.

(2) Offshore Wind Power Business Initiatives

Toshiba Energy Systems & Solutions Corporation is conducting a variety of initiatives in the field of offshore wind power generation in order to help expand deployments of this technology.

In the field of wind resource analysis technology for offshore wind power generation, the company is working on joint research with Kyushu University and Hitachi Zosen Corporation. This research utilizes Kyushu University's wind resource prediction technology to measure wind condition at the wind farm, and to analyze and evaluate both this and operational data in order to develop techniques for the evaluation of wind speed distribution in the areas of wind farm and the amount of power generated, as well as techniques for optimizing wind turbine layout. The results of this research have been widely acclaimed, such as by being selected for the cover design of international journal "energies," and winning the 54th Ichimura Prize in Science against Global Warming.
In addition, Toshiba Energy Systems & Solutions Corporation and TEPCO Renewable Power, Inc. submitted their joint offshore wind power operation and maintenance enhancement project (enhancement of preventative maintenance / maintenance through the use of digital technology) for adoption as a New Energy and Industrial Technology Development Organization (NEDO) Green Innovation Fund project for reducing the cost of offshore wind power generation, for which it was accepted. Through this project, Toshiba Energy Systems & Solutions Corporation seeks to develop technology to lower the cost of maintenance that can be applied to floating offshore wind turbines that are expected to be constructed in the future, such as performing external visual inspections of wind turbines remotely using drones, using robots to automate the inspection of inside the nacelle where the generator, etc., are located, and developing offshore wind turbine integrity analysis services that utilize measurement data from sensors, etc.
Moreover, Toshiba Energy Systems & Solutions Corporation has entered into a strategic partnership agreement with GE Renewable Energy of the U.S. By leveraging their respective strengths to help develop the offshore wind power generation market in Japan, the two companies aim to contribute to the expansion of the domestic offshore wind market and help achieve a carbon-neutral society.

(3) Acquisition of the EtaPRO™ Power Plant Monitoring Software Business

Toshiba Energy Systems & Solutions Corporation has acquired from U.S.-based GP Strategies the latter's business department of EtaPRO™ power plant monitoring software for power generation companies.
EtaPRO™ is a real-time digital platform for improving the efficiency and reliability of power generating assets through empirical and physics-based digital twin technology combined with traditional vibration frequency analysis for detecting and diagnosing equipment deterioration or operating abnormalities in their earliest stages. Over the past 25 years it has been deployed in 40 countries and in thermal, nuclear, hydroelectric, wind, and solar power plants generating approximately 700 GW.
Under the terms of the acquisition, EtaPRO™ related businesses such as software, trademarks, intellectual properties, customer contracts, services such as maintenance and remote monitoring and the locations & personnel associated with those operations have been transfered to a company named EtaPRO LLC, which was established under Toshiba America Energy Systems Corporation, a U.S. subsidiary of Toshiba Energy Systems & Solusions Corporation.
With this acquisition, Toshiba Energy Systems & Solutions Corporation will add the digital technologies provided by EtaPRO™ system to its existing maintenance services, which are centered on turbine and power generation equipment, enabling it to offer customers services that contribute to customer's asset performance management.
Going forward it seeks to expand its services business utilizing EtaPRO™ and will enhance the extensibility and functionality of EtaPRO™ itself.

Infrastructure Systems & Solutions

Main Businesses	As of March 31, 2022
Water supply and sewage systems, Power distribution systems, Road systems, Communication & broadcast systems, Telecommunication systems, Security & automation systems, Railway systems, Motor & drive systems	

Business Overview

Although revenues from railway and industrial systems declined due to a decline in scale, mainly in the industrial systems business, revenues from public infrastructure increased due to an increase in the scale of the social systems business and other factors. As a result, the segment as a whole remained almost unchanged.

Earnings in the Public Infrastructure segment increased due to an increase in the scale of the Social Systems business. However, operating income in the Railway & Industrial Systems segment declined as a whole due to lower sales in the Industrial Systems segment, soaring materials costs, restructuring costs, and an increase in overseas project costs in the Railway Business.

Topics

(1) Toshiba Infrastructure Systems & Solutions Corporation Awarded Prize for Sewage Treatment Project in India

Toshiba Infrastructure Systems & Solutions Corporation was awarded the 4th Japan Construction International Award (honored by the Minister of Land, Infrastructure, Transport and Tourism of Japan) for the Design, Build, Operate, & Maintain and Transfer of the Salori Sewage Treatment Plant and related facilities in Allahabad, which was conducted by Toshiba Water Solutions Private Limited (TWS), Toshiba Infrastructure Systems & Solutions Corporation's subsidiary in India.

These prizes were established by the Ministry of Land, Infrastructure, Transport and Tourism of Japan with the aim of strengthening Japan's competitiveness and providing support to Japanese companies pursuing further expansion overseas, and are used to honor overseas construction projects that provide high-quality infrastructure, or Japanese companies that are taking an active leadership role overseas. This is the first time that such a prize has been awarded to a project in which Toshiba Infrastructure Systems & Solutions Corporation has been involved.

In this project, in 2014 TWS received an order from the Uttar Pradesh Jal Nigam (state water supply and sewerage department) in India for the design and construction of the sewage treatment plant and pump station, and the operation and maintenance of the facilities for a period of 10 years. India faces extremely serious water problems, and TWS's involvement in the development of sewage treatment facilities, which forms the core of the national project for purifying the Ganges River, has attracted a positive response in local society. It has also been acclaimed as a cornerstone for ongoing participation in other projects in India. The project was also given high marks for minimizing the footprint of the site through the use of innovative techniques to reduce both the construction period and operating costs, while still complying with the Indian government's requirements for discharged water quality. Another area that has won praise is the reduction of lifecycle costs in designing and constructing the plant by adopting equipment that can be easily obtained and maintained in India.

We will use this award as an opportunity to further strengthen the overseas water treatment business, primarily in India, thus helping to establish a sustainable hydrological cycle and contributing to the creation of advanced environmental communities.

(2) Cumulative Deliveries of Solid Insulated Switchgear That Contributes to the Prevention of Global Warming Reach 2,000 Units

Cumulative deliveries of solid insulated switchgear manufactured and sold by Toshiba Infrastructure Systems & Solutions Corporation have reached 2,000 units. These products do not use SF6, a gas that has potent greenhouse effects.
Switchgear is used to receive and distribute high-voltage electricity transmitted from power plants to buildings and factories. This equipment must have extremely high levels of safety and reliability, and previously SF6 gas was widely used as an electrical insulator within its high-voltage section.
Toshiba Infrastructure Systems & Solutions Corporation has conducted intensive research into the provision of environmentally friendly products in order to prevent global warming. It has been a global leader in solid insulated switchgear that avoids the use of SF6 gas in the high-voltage section, instead providing insulation through a covering of epoxy resin that is based on new materials. In 2002, it launched the first generation of products for a rated voltage of 24 kV (kilovolts), and in 2004, a product for a rated voltage of 36 kV went on sale. Since that time, it has overcome numerous technical issues associated with the shift to higher voltages, and now offers a lineup that includes the only product with a rated voltage of 84 kV in the world.
We will continue to use our technical innovation and manufacturing capabilities to pursue endless challenges going forward, supporting the power supply needs of our customers as well as helping them to achieve carbon neutrality.

(3) Development and Commercialization of Fingerprint Authentication USB Dongle

Toshiba Infrastructure Systems & Solutions Corporation has commercialized its BISCADE™ Dongle for fingerprint authentication and commenced sales activities.
The BISCADE™ Dongle is a compact device that uses fingerprint authentication to enable simple and secure logon to computers, tablets and other systems, eliminating the need for the user to remember an ID and password. It can also be used with devices equipped with a USB Type-C interface.
The BISCADE™ Dongle incorporates a secure chip of the kind used in credit and other cards, a microcontroller chip to extract and compare fingerprint features, and a fingerprint sensor. Because the comparison between the fingerprint features stored beforehand in the secure chip and the fingerprint data acquired by the fingerprint sensor is only performed inside the dongle, the fingerprint data does not leave the device.
This makes it possible for a single BISCADE™ Dongle to perform both possession authentication simply by the user holding it and biometric authentication through fingerprint verification, which helps to enhance the security of IT equipment to which user access must be controlled. Furthermore, it is possible to safely use the important information stored on the secure chip in the dongle in conjunction with ID verification.
In recent years, the widespread use of the internet has made security countermeasures increasingly important. By following the commercialization in 2020 of the BISCADE™ Card, a fingerprint authentication IC card, with the commercialization of the BISCADE™ Dongle, Toshiba Infrastructure Systems & Solutions Corporation continues to strengthen its lineup of security countermeasures products using fingerprint authentication.

Building Solutions

Main Businesses	As of March 31, 2022
Elevators, Commercial air-conditioner, Light fixtures, Compressors, Industrial light parts	

Business Overview

Sales of lighting decreased, but increased sales of elevators and air conditioners resulted in an overall increase in sales.
In terms of profit and loss, despite a decline in profits from elevators and lighting, operating income increased as a result of higher profits from air conditioning.

Topics

(1) Commencing Operation of Interior Digital Signage for Elevators

Toshiba Elevator and Building Systems Corporation has commenced operation of interior digital signage jointly developed with Dai Nippon Printing Co., Ltd. for use in condominium and office building elevators.
This service distributes information on facilities and the local area, advertisements, and other information to users of condominiums and office buildings. Toshiba Elevator and Building Systems Corporation is responsible for maintenance of the digital signage equipment, while Dai Nippon Printing Co., Ltd. is in charge of creating content for display and soliciting advertisements.
The content is presented on three separate monitor screens with multiple items of information displayed simultaneously, so that users can instantly grasp a variety of information. The attributes of the user are inferred from images acquired by a camera equipped with sensors, and the advertisements and content distributed are optimized for that individual.
Moreover, because this service is based on a contract under which the digital signage equipment is installed and leased by Toshiba Elevator and Building Systems Corporation, owners of condominiums and facilities can easily begin the service without paying deployment or operating costs, and are responsible only for minor costs such as the electricity charges for monitors.
The goal is to install 5,000 monitors by the end of FY2022. Going forward, we will also use this service to offer products and services that further increase customer satisfaction.

(2) Transfer of Shares of Toshiba's Consolidated Subsidiaries in the Air-Conditioner Business

Toshiba has entered into an agreement to transfer the 55% of the outstanding shares that it owns in Toshiba Carrier Corporation, which is engaged in the air-conditioner business, to US-based Carrier Corporation, which is a subsidiary of US-based Carrier Global Corporation.
After this share transfer has been completed, the proportion of shares in Toshiba Carrier Corporation owned by Toshiba will be 5%, but Toshiba Carrier Corporation will continue to develop, manufacture, and sell air-conditioner systems globally under the Toshiba brand.

Retail & Printing Solutions

Main Businesses	As of March 31, 2022
POS systems, Multi-function peripherals	

Business Overview

The Retail Business and the Printing Business both recorded higher sales, resulting in an overall increase in sales.

In terms of profit and loss, both the Retail Business and the Printing Business recorded higher profits, resulting in an increase in profits for the segment as a whole.

Topics

(1) Development Progress on the ELERA™ Global Retail Platform

In accordance with its management policy of aiming to become the top global solutions partner in the distribution industry, Toshiba TEC Corporation is forging ahead with development of the ELERA™ global retail platform, which is provided on a subscription basis, by co-creation with strategic partners.

As well as causing significant changes in the lifestyles of consumers, the global COVID-19 pandemic has resulted in dramatic changes in the distribution industry business environment, such as the entrance of players from other industries, and an acceleration of cross-industry M&A, which have in turn further intensified and complicated the issues faced by the retail industry. There is an urgent need for the retail industry to build new business models in response to these changes in the business environment.
A variety of services have been built on the ELERA™ platform being developed by Toshiba TEC Corporation, and it also brings together an enormous volume of purchasing data. By linking these services and making good use of high value-added data, it becomes possible to implement solutions tailored to the issues faced by each store, and to promote the digital transformation (DX) of the retail industry. The ELERA-based mobile self-checkout system, which was launched in February 2022 and uses smartphones, will in future be able to connect to payment and other functions hosted on ELERA™, providing both the retail industry and consumers with a more pleasurable shopping environment.
The name ELERA™ incorporates part of the word “accelerate,” and by promoting the development of ELERA™, Toshiba TEC Corporation aims to accelerate its response to a world undergoing significant ongoing change, and to build the future of retail industry together with customers and partners.

(Note) ELERA™ is a trademark of Toshiba TEC Corporation and its group companies.

Electronic Devices & Storage Solutions

Main Business	As of March 31, 2022
Power devices, Analog ICs, Small-signal devices, HDDs, Optoelectronic devices, Semiconductor manufacturing equipment, In-vehicle digital & logic, Parts materials, Microcomputers	

Business Overview

Semiconductors saw a recovery in market conditions, particularly in automotive applications, leading to higher sales. Sales of HDDs and other products rose as a result of a recovery in plant operations and an increase in sales to large-capacity data centers.

In terms of profit and loss, in addition to the effects of structural reforms in semiconductors, both Semiconductors and HDDs and others saw increased sales, resulting in an increase in profit for the segment as a whole.

Topics

(1) Decision to Construct a New 300-mm Wafer Fabrication Facility for the Production of Power Semiconductors

In February 2022, Toshiba Electronic Devices & Storage Corporation made the decision to construct a new 300-mm wafer fabrication facility for power semiconductors within its Kaga Toshiba Electronics Corporation site. From the perspective of securing the optimal production space while monitoring market trends, construction will be divided into two phases. Operations are scheduled to begin by the end of FY2024 after the completion of Phase-1 construction. When the Phase-1 facility has reached full capacity, production capacity of power semiconductors (*1) is expected to have expanded to 2.5 times that of FY2021.

Power semiconductors, whose role is to supply and manage power, are essential components for boosting the energy-saving features of all types of electrical equipment, and for achieving carbon neutrality. Given the growth in vehicle electrification, the automation of industrial equipment and other applications, demand is projected to continue expanding. In order to respond to strong demand for power semiconductors, Toshiba Electronic Devices & Storage Corporation will make and execute successive decisions on the new facility, such as the installation of specific equipment, the timing of the commencement of operations, production capacity, production plans, while monitoring market trends.

Going forward, Toshiba Electronic Devices & Storage Corporation will actively engage in initiatives to bolster the competitiveness of the business, such as through timely capital investment and R&D, thus helping to achieve an energy-efficient society and carbon neutrality.

(*1) 200-mm and 300-mm production line capacity (calculated on 200-mm wafer basis)

(2) World's First Demonstration of Significant Improvements in HDD Recording Performance Using Microwave Assisted Switching - Microwave Assisted Magnetic Recording (MAS-MAMR)

In a world first, the Toshiba Group has demonstrated improvements in recording performance through the use of a next-generation magnetic recording technology called Microwave Assisted Switching - Microwave Assisted Magnetic Recording (MAS-MAMR) (*2), with the ultimate aim of achieving further increases in hard disk drive (HDD) capacity.

As an important part of the information infrastructure that supports the rapid evolution of remote work and the digitalization of society, there is a rising need for expanded data storage capacity and demand for greater nearline HDD capacity, centered on data centers, continues

to increase. As one of the technologies for enhancing HDD recording density, the Toshiba Group is moving forward with the development of an approach called Microwave Assisted Magnetic Recording (MAMR).
The MAS-MAMR technology employed in this demonstration uses microwaves to irradiate localized areas of the recording media to enhance recording performance, and reflects the recent success of joint efforts by the Toshiba Group, HDD medium manufacturer Showa Denko K. K., and HDD head manufacturer TDK Corporation to improve the effectiveness of MAS-MAMR.
Using this technology, the Toshiba Group aims to achieve early commercialization of nearline HDDs with capacities exceeding 30 TB. Going forward, the Toshiba Group will address the enormous increase in storage needs by continuing to develop MAMR technology to increase the capacity of current nearline HDDs, while working in parallel on next-generation recording technology.
(*2) MAS-MAMR: Microwave Assisted Switching - Microwave Assisted Magnetic Recording.

(3) Commencement of Multi-beam Mask Lithography Device Shipments

NuFlare Technology, Inc. has begun shipments of multi-beam mask lithography devices, which constitute the next generation of electron beam mask lithography devices. Going forward, it will expand shipments to Asia and North America, aiming to achieve a global market share of 50% in FY2023.
Electron beam mask lithography devices are devices for manufacturing the photomasks that form the master plates used to transfer semiconductor circuit patterns. Photomasks are etched with minute circuit patterns. Such circuit patterns are exposed and transferred to the wafers, which are the semiconductor material, to form circuits on the wafer.
As the data-driven society evolves, there is growing demand for semiconductors, which are needed to realize the digitalization of information, particularly advanced semiconductors with increasingly miniaturized features. The progress of miniaturization has resulted in dramatic increases in the volume of data contained in photomask circuit patterns, and there has been an issue with the time taken for lithography using the traditional single-beam mask lithographic device that writes such circuit patterns to the photomask by using one beam. By combining the lithography component technology it has developed for its single-beam mask lithography devices with additional proprietary technology, NuFlare Technology, Inc.'s multi-beam mask lithography device is able to control 260,000 beams for high-speed, high-precision lithography to achieve superior production efficiency and reliability.
Fueled by the trend of information digitalization, the growing demand for advanced semiconductors with increasingly miniaturized features is expanding the market, and we can expect this new demand for electron beam mask lithography devices to increase going forward. By leveraging the customer relationships and technological capabilities that it has cultivated over many years to provide cutting-edge electron beam mask lithography devices, NuFlare Technology, Inc. will continue to contribute to the development of the semiconductor industry, mankind and human society.

Digital Solutions

Main Businesses	As of March 31, 2022
Digital solutions services	

Business Overview
Overall, sales grew compared with the previous year, but the division as a whole saw an increase due to a large increase in system projects for government agencies.
In terms of profit and loss, the segment as a whole saw an increase in profit due to the impact of increased sales, etc.

Topics
(1) Global Rollout of the Quantum Key Distribution (QKD)
Today's society is seeing explosive growth in the volume of data as a result of technological progress, and the secure communication of confidential information is an urgent issue. In order to protect individual, corporate, and state information, the Toshiba Group has been researching and developing Quantum Key Distribution (QKD) technology for more than 20 years, and has acquired more patents in this area than any other organization globally.
QKD is used to distribute the encryption keys that are used to protect important confidential data. In QKD, encryption keys are transmitted over optical fibers in the form of photons (light particles). A feature of quantum mechanics is that photons undergo an unavoidable change in state when they come into contact with something, and using this property enables the indisputable detection of encryption key eavesdropping by third parties. At the instant the encryption key eavesdropping is detected the key is automatically voided and a new one is created, so in theory it is impossible to eavesdrop an encryption key. The introduction of QKD would enable data communication platforms to be protected from the threat of cyber attacks, and ensure the security of data communications.
The Toshiba Group is establishing partnerships in related industries and conducting repeated demonstrations and testing, aiming for an early rollout of QKD in industries in the U.S., U.K., Singapore, and South Korea, as well as in Japan. In August 2021, the Group announced a collaboration with Singapore's SpeQtral Pte. Ltd., and in October 2021 it announced that it would work with the U.K.'s British Telecommunications plc to build, demonstrate and test world's first quantum-secured commercial metro network. In February 2022, the Toshiba Group, JPMorgan Chase & Co., and Ciena conducted testing on the U.S.'s first finance application execution platform, and succeeded in demonstrating the viability of QKD. Furthermore, in March 2022, the Toshiba Group began a joint QKD demonstration project with KT Corporation of South Korea. Through these collaborations, the Toshiba Group is accelerating the global rollout of QKD.

(2) Promoting an Ecosystem of Interconnectability Being Created by Companies etc., Which Aims to Resolve Social Issues through the ifLink Open Community and "Democratize IoT"
Toshiba Digital Solutions Corporation has opened up its ifLink® Platform, which is a co-creation IoT platform allowing anybody to easily build IoT (Internet of Things) services, in order to encourage community activities that lead to the creation of greater numbers of solutions.
ifLink® refers to an IoT platform that makes it easy for anybody to build, use and provide IoT services by allowing users to combine a wide range of generally available IoT equipment (Internet-connectible sensors, IT-enabled home appliances, robots, etc.) with web services without the need for programming. ifLink® was opened up to enable new services and

solutions to be generated rapidly in an ecosystem of interconnectability created by its various participants, and the ifLink Open Community consortium was established in 2020 by core members Toshiba and Toshiba Digital Solutions Corporation. With participation by more than 100 companies, schools, and other organizations, the community voluntarily promotes mutual links between IoT products and web services, and the conception, testing and commercialization of ideas. In 2021 these activities gave birth to ClosedBuster™*, a CO_2 concentration monitoring service, as a solution for dealing with COVID-19. ClosedBuster™ uses CO_2 concentration measuring to detect, visualize, and take action with regard to the airtightness of stores and other facilities, and is used by major restaurant chains and other organizations to prevent COVID-19 from infecting or spreading to others. These activities have been praised as an example of corporations cooperating on COVID-19 countermeasures, and have received awards from multiple organizations. In addition, the methods used by ifLink® from the stages of conception to testing are being considered for inclusion as part of the high school educational curriculum for digital transformation (DX). Going forward, ifLink Open Community will continue to implement a variety of initiatives to resolve social issues and to develop human resources in its role as a community for linking corporations and schools.
* ClosedBuster™ is a product of WDS Co., Ltd.

(3) Transfer of Chubu Toshiba Engineering Corporation Stock

Toshiba Digital Solutions Corporation and KIOXIA Holdings Corporation have entered into an agreement to transfer all the outstanding shares of Toshiba Corporation's consolidated subsidiary Chubu Toshiba Engineering Corporation to KIOXIA Corporation.
Chubu Toshiba Engineering Corporation is engaged in engineering operations related to the development, design, and manufacturing of semiconductors, and is also involved in the development, operation and maintenance of semiconductor systems and other business. The stock transfer agreement was entered into after the relevant parties came to the conclusion that the increasing sophistication of semiconductor development and system operation made integration with KIOXIA Corporation the optimal path forward for Chubu Toshiba Engineering Corporation.

Others

Main Businesses	As of March 31, 2022
Battery, etc.	

Business Overview
Sales declined due to the transfer of shares of a subsidiary under the Staff division and the deconsolidation of the subsidiary, resulting in an overall decline in sales.

Topics

(1) Launch of 20Ah-HP Rechargeable Lithium-ion Battery Cell That Delivers Both High Energy and High Power

Toshiba has hitherto developed a lineup of rechargeable lithium-ion batteries in the two categories of high-power cells and high-capacity cells, and in January 2022 it began taking orders for a new SCiB™ product, the 20Ah-HP, which combines the advantages of both types.
For rechargeable lithium-ion batteries it is generally difficult to combine energy density with high input/output performance. High energy density is a measure of high endurance and in applications such as electric vehicles, for example, this means a longer range. On the other hand, input/output performance (which is a measure of instantaneous power) deteriorates, making it difficult to use in situations that require sharp inflows or outflows of energy, such as rapid charging.
The 20Ah-HP succeeds in maintaining an energy density at the level of the 20Ah cell, one of the aforementioned high-capacity cells, while reducing internal resistance by 40%, achieving approximately 1.7 times the input performance and 1.6 times the output performance compared to the 20Ah cell. The reduction in internal resistance results in the suppression of heat buildup when large currents are applied, enabling cooling systems to be simplified and made less costly. Another advantage of SCiB™ products is that the usable capacity range is larger than that of other rechargeable batteries, and the reduced overvoltage of the 20Ah-HP cell is a factor in increasing the range of capacities that can be used. Moreover, because the input/output performance has been improved while maintaining the size of previous "high-capacity cells," it can be used without design changes in applications where existing "high-capacity cells" are being used.
By combining high input/output performance with high energy density, the 20Ah-HP cell expands the range of applications open to SCiB™ products, and is expected to be used not only in vehicles but also in a wide variety of industries, including manufacturing and distribution systems, harbor facilities, construction, maritime and traffic equipment, and storage systems. Going forward, Toshiba will continue to actively develop the SCiB™ rechargeable lithium-ion battery business for a range of different applications, including vehicles, industrial equipment and storage battery systems, as it contributes to achieving a carbon-neutral society.

Toshiba's Digital Transformation (DX) Initiatives

What is Toshiba's "DX for All"?
The Toshiba Group aims to become one of world's leading technology companies in the area of Cyber-Physical Systems (CPS: a system that creates value by analyzing real-world data in cyberspace and feeding it back in the form of easily utilized information and knowledge), and the entire Company is working as one on digital transformation (DX) initiatives. Toshiba's "DX for All" is an initiative that aims to convert existing businesses to CPS businesses, and create new CPS businesses. Through such measures as holding "DX for All" business hypothesis announcement meetings to share ideas from employees, external collaboration through open innovation, and forming CPS funds, the main operating companies and relevant departments are working together in pursuit of this initiative.

"DX for All" business hypothesis announcement meetings
As a space in which to unearth the seeds of future CPS businesses, and to nurture a digital culture and human resources, the Toshiba Group holds "DX for All" business hypothesis announcement meetings in which employees announce (pitch) their own ideas in a short presentation. After discussion by main operating companies, the ideas thus presented are announced as policy initiatives by each main operating company at Strategy Announcement Meetings, and considered for commercialization by the business divisions. Since this initiative began in February 2019, these meetings have been held on four occasions, with more than 50 themes being promoted as official projects within divisions of main operating companies.

External collaboration through open innovation
Another feature of "DX for All" is active external collaboration to create new businesses by opening up new sources of revenue, expanding and converting ideas, and redefining asset value (this is not confined to financial assets and includes other assets and strengths, such as technology and human resources held within Toshiba). Since April 2020, the Toshiba OPEN INNOVATION PROGRAM as an accelerator program has been held every year on an application basis, and Toshiba is considering collaboration with startups that have been accepted into the program. The Company is also working with innovation platform, "Plug and Play Japan," a Silicon Valley startup, and is actively seeking to increase contact with startups and to work with them on co-creation activities. By taking on board a variety of opinions different than those held by Toshiba through such co-creation with external parties, Toshiba will pursue possibilities for the creation of business models that transcend the boundaries of existing and specific markets.

CPS funds
With the aim of accelerating the commercialization of CPS, the Company operates CPS funds for investing in projects. A CPS fund is a fund for investing in activities for creating digital business models, and is utilized for verifying market hypotheses and Proof of Concept (PoC).

Promoting the practice of business creation/commercialization
For themes generated by DX activities, such as "DX for All" business hypothesis announcement meetings, and external collaboration for open innovation, the Company will work with operating companies and partner companies on business strategy and the creation of business models, and promote their commercialization. This has already generated concrete results, such as the founding of Toshiba Data Corporation, which operates a data business, and the development of pay-for-use fees and subscription services that make use of existing hardware products.

Toshiba Group's SDGs Initiatives

(1) Toshiba Group and the SDGs

The cornerstone text of the Basic Commitment of Toshiba Group is "Committed to People, Committed to the Future." This underlines Toshiba Group's timeless commitment to contributing to the development of society through its business activities and is consistent with the United Nations Sustainable Development Goals (SDGs) that aim to realize a sustainable society. We will combine the creative power and technological expertise we have built up over the years to tackle social issues that are becoming increasingly complex and serious with the aim of launching a new future.

(2) Contributions to achievement of the SDGs through corporate activities

In 2018, the Toshiba Group identified the SDGs to which it can contribute through its corporate activities, and incorporated them into its business plan. In 2021, the Group adopted a perspective centered on social issues, including the SDGs, and redefined the material issues that it felt should be addressed.

Through its corporate activities, the Toshiba Group actively contributes by engaging in efforts to resolve social issues.

(3) Addressing climate change

Among the various social issues addressed by the SDGs, the impacts of climate change on society are becoming more serious every year, threatening the safety and security of daily life for future generations. Within this context, swift and aggressive action is being demanded from companies.

The Toshiba Group recognizes that its response to climate change is one of its highest priority management issues. In addition to seeking to achieve carbon neutrality throughout the Toshiba Group's value chain by FY2050, it aims to reduce greenhouse gas emissions by 70% by FY2030 compared to the FY2019 level, as a transitional point to the FY2050 goal.

(Notes)

1. The Company states the matters concerning the business results of the Group based on the consolidated financial statements pursuant to the provisions of Article 120, paragraph (2) of the Ordinance for Enforcement of the Companies Act.
2. Toshiba’s consolidated financial statements are based on U.S. generally accepted accounting principles (“GAAP”) pursuant to the provisions of Article 120-3 of the Ordinance on Accounting of Companies. Operating income (loss) is derived by deducting the 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. Legal settlement costs etc. are not included in it.
3. The Group indicated a “net income (loss) attributable to shareholders of the Company” under the U.S. GAAP as the net income (loss).
4. The Nuclear Power Generation business in Westinghouse Group and the Memory business are classified as discontinued operations in accordance with ASC 205-20 “Presentation of Financial Statements - Discontinued Operations.” The results of these businesses have been excluded from net sales, operating income (loss), and income (loss) from continuing operations, before income taxes and noncontrolling interests. Net income of the Group is calculated by reflecting results of these businesses to income (loss) from continuing operations, before income taxes and noncontrolling interests. In addition, these businesses are also classified as discontinued operations for the Group’s consolidated balance sheets and are indicated separately. Results of the past fiscal year have been revised to reflect these changes.
5. Descriptions such as “World’s first,” “Japan’s first” and “World’s highest” are based on data surveyed by the Group as of the time of announcement and release, unless otherwise noted.

(2) Management Policies of the Toshiba Group Moving Forward (Issues to be Addressed)

◎ Enhancement of Shareholder Value

We recognize that it is the utmost responsibility for the Board of Directors to act in the best interests of the Company and our shareholders.
In April 2022, the Board of Directors resolved to establish Special Committee, in order to engage with potential investors and sponsors and review strategic alternatives. All members of the Special Committee are composed by the independent outside directors of the Company. Discussions with potential investors and sponsors are led by the management team and have started. The Special Committee along with management, will engage in the negotiation process by confirming the potential structures in advance, receiving timely reports on the negotiation status, providing opinions at important junctures. The Special Committee shall also conduct an analysis on a thorough process to compare offers and structures, identify the privatization or other alternative offer that is best for our diverse stakeholders including shareholders, and provide the current relevant information prior to the AGM, based upon the status at that point in time.

◎ Our Vision

Based on Basic commitment of the Toshiba Group, committed to people, committed to the future, the Group intends to continue contributing to the development of society by combining the knowledge and capabilities accumulated over years of experience in a wide range business, ranging from infrastructure to electronic devices, with its strength in information processing, digital and AI technologies, and providing services and solutions that can help to solve issues facing the world today..

The Company plans to formulate various measures to maximize the corporate value of the Group and announce a medium-term management plan in 2022.

◎ Advice from the Governance Enhancement Committee

At the Company, an investigation was conducted by the investigators appointed at the Extraordinary General Meeting of Shareholders held on March 18, 2021 to look into whether the 181st Ordinary General Meeting of Shareholders held on July 31, 2020 was conducted in a fair manner (including whether or not resolutions were handled appropriately and fairly), and the investigation report on the results of said investigation was disclosed in June 2021. The investigators indicate in the investigation report that, based on the provisions of the Corporate Governance Code, the 181st Ordinary General Meeting of Shareholders held on July 31, 2020 cannot be said to have been conducted in a fair manner. The Company takes such indication seriously, and with regard to the so-called Pressure Issue, it was determined that an objective, transparent, and exhaustive inquiry, in which external third parties would also participate, should be conducted into the real causes and facts of the matter to clarify the locus of responsibility and to put together measures to prevent a recurrence. To this end, the Governance Enhancement Committee was set up and commissioned to analyze the root causes, clarify responsibility, and provide advice in relation to the measures to prevent a recurrence. The report compiled by this Committee was received on November 12, 2021. Based on the advice given in the Committee report, the Company had the Board of Directors and Executive Officers hold discussions and formulate measures to prevent a recurrence, focused on building healthy relationships of trust with shareholders, improving an organizational structure that is excessively reliant on government ministries and agencies, rebuilding of corporate governance, and practicing the “correct tone at the top.” While working to formulate and implement measures to prevent a recurrence of this incident, the Company will continue efforts to quickly recover the trust of all stakeholders, particularly with shareholders who were disadvantaged by this incident, by continuing to demonstrate an unchanging commitment to practicing the “correct tone at the top” into the future among its management, including first and foremost the Directors and Executive Officers.

◎ Climate Change

The Group sees impacts from climate change as material risks and, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we are analyzing impacts on our business. We predict physical risks from natural disasters and transition risks from the rising cost of responding to regulations, loss of sales opportunities due to delays in responding technologically, and impaired reputation from delays in initiatives. As such, we are striving to strengthen our frameworks and activities for addressing these risks. At the same time, identifying opportunities from increased demand for decarbonized energy technologies, energy-saving products and services, and the like, we are proceeding to develop our renewable energies business and other businesses with carbon neutrality as one of our business strategies. We have established a framework under which important issues related to climate change that could affect our business are discussed at the Sustainability Strategy Committee, which is chaired by the President, and then reported to the Board of Directors.

As a response to climate change and as stated in our Environmental Future Vision 2050, the Group seeks to achieve carbon neutrality throughout the value chain by FY2050 and, as a new target, reduce GHG emissions by 70% by FY2030 compared to the FY2019 level. For our FY2030 reduction targets, in FY2020, we acquired the approval of the Science Based Targets (SBT) initiative, which is consistent with the Paris Agreement.

At present, we are pursuing the detailed Seventh Environmental Action Plan, which takes us to FY2023, and are proceeding to reduce GHG emissions in our business activities, as well as in our products and services. We aim to hold total GHG emissions in our business activities in FY2023 to 1.04 million t-CO_2 and to achieve a 1% year-on-year improvement every year in our total energy-derived CO_2 emissions intensity. Furthermore, in our products and services, we aim to continue developing and delivering renewable energies as well as products and services that have robust energy-saving features. We aim to reduce GHG emissions (Note 1) during energy supply by 13.6% in FY2023 (versus FY2019), while aiming for a 43 million t-CO_2 contribution to GHG reduction (cumulative from FY2021) through the adoption of renewable energies and an 84 million t-CO_2 contribution to GHG reduction (cumulative from FY2021) during product use (Note 2).

(Notes)

1. The items subject to the target are products and services associated with power supply, such as thermal power generation
2. The items subject to the target are products and services associated with power consumption, such as social infrastructure products

2. Group Business Results and Asset Conditions for the Four-Year Period

(1) The Group (Consolidated)

Item	180th Period	181st Period	182nd Period	183rd Period (current period)
	FY2018	FY2019	FY2020	FY2021
Net sales (Billions of yen)	3,693.5	3,389.9	3,054.4	3,337.0
Net income (loss) (Billions of yen)	1,013.3	(114.6)	114.0	194.7
Net income (loss) per share (Yen)	1,641.85	(236.39)	251.25	442.05
Total assets (Billions of yen)	4,297.3	3,383.4	3,500.6	3,734.5

(Note)
Net income (loss) attributable to shareholders of the Company in accordance with U.S. Generally Accepted Accounting Standards (“U.S. GAAP”), is presented as Net income (loss) in this section.

(2) The Company (Non-consolidated)

Item	180th Period	181st Period	182nd Period	183rd Period (current period)
	FY2018	FY2019	FY2020	FY2021
Net sales (Billions of yen)	45.8	75.0	74.4	864
Net income (loss) (Billions of yen)	1,278.9	6.7	101.2	876
Net income (loss) per share (Yen)	2,072.30	13.87	222.99	199.02
Total assets (Billions of yen)	2,068.6	1,461.2	1,725.0	1.640.1

3. The Company's Policy on Decisions of Dividends, etc.

The Company intends to maintain an average consolidated dividend payout ratio of at least 30% (Note), and shareholders' equity in excess of the appropriate level of shareholders' equity will be used to provide shareholder returns, including share repurchases. The appropriate level of shareholders' equity shall be verified by the Board of Directors at regular intervals.
With regard to shares of KIOXIA Holdings Corporation, while seeking to maximize shareholder value we will convert these to cash as quickly as operationally possible and return the entire amount of net cash thus obtained to shareholders, to the extent that it does not infringe applicable laws and regulations.
Furthermore, the Company will continre to review the evaluation of the appropriate level of capital besed on the change in business stategy and circumstance, and will also use appropriate leverage to continually improve capital allocation, in order to further enhance shareholder returns and the long term value of the Company
In terms of dividends for the fiscal year under review, in August 2021 the Company paid a special dividend of 110 yen per share to shareholders registered as of June 30, 2021, and in December 2021 it paid a dividend (interim) of 40 yen per share to shareholders registered as of September 30, 2021. The Company has decided to pay a further dividend (year-end) of 70 yen per share to shareholders registered as of March 31, 2022. As result of such dividend, total amount of dividend per share is 220 yen.
Based on the results for the previous fiscal year (FY2020) and the outlook for earnings in the fiscal year under review (FY2021), after verifying shareholders' equity, the Board of Directors concluded that it exceeded the appropriate level by approximately 150.0 billion yen, as a result of which it decided to implement additional shareholder returns. The Board of Directors resolved on June 7, 2021 that, in addition to the 50.0 billion yen distributed in the form of the special dividend described above, a maximum of 100.0 billion yen would be spent to repurchase up to 27,000,000 shares during the period from June 8, 2021 to December 31, 2021. In accordance with this resolution, 21,307,600 shares were repurchased at a cost of 99,999,952,571 yen.

(Note) For the time being, equity method profit and loss for KIOXIA Holdings Corporation is excluded from Toshiba's policy on shareholder returns.

4. Outline of Main Group Companies

As of March 31, 2022

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
Energy Systems & Solutions	Toshiba Energy Systems & Solutions Corporation	22,602 (Millions of yen)	100.0	Development, manufacturing, sale, and service of products and systems relating to the energy business	Kawasaki
	Toshiba Plant Systems & Services Corporation	11,876 (Millions of yen)	100.0	Engineering, construction, trial operation, alignment, maintenance, and service of power systems and social infrastructure & industrial systems	Kawasaki
Infrastructure Systems & Solutions	Toshiba Infrastructure Systems & Solutions Corporation	10,000 (Millions of yen)	100.0	Development, manufacturing, sale, and service of products and systems relating to the social infrastructure business	Kawasaki
Building Solutions	Toshiba Elevator and Building Systems Corporation	21,407 (Millions of yen)	80.0	Elevator development, sales, design, manufacturing, installation, maintenance, repair, and renovation, as well as building facility-related construction and services	Kawasaki
	Toshiba Carrier Corporation	11,510 (Millions of yen)	60.0	Development, design, sales and services of commercial air conditioners, ventilators, refrigerators and compressors	Kawasaki
	Toshiba Lighting & Technology Corporation	6,000 (Millions of yen)	99.9	Development, manufacturing, sales, and services of light equipment and industrial light sources	Yokosuka, Kanagawa

Segment	Name of Company	Paid in Capital	Voting Rights Ratio (Percentage)	Main Business	Location
Retail & Printing Solutions	Toshiba TEC Corporation	39,970 (Millions of yen)	52.4	Development, design, manufacturing, sale, and maintenance of retail information systems and office equipment	Shinagawa-ku, Tokyo
Electronic Devices & Storage Solutions	Toshiba Electronic Devices & Storage Corporation	10,000 (Millions of yen)	100.0	Development, manufacturing, sale, and related businesses of discrete semiconductors, analog semiconductors, logic ICs, HDDs, and related products	Minato-ku, Tokyo
Digital Solutions	Toshiba Digital Solutions Corporation	23,500 (Millions of yen)	100.0	System integration and development, manufacturing, and sale of ICT solutions using IoT/AI	Kawasaki
Others	Toshiba America, Inc.	1,884 (U.S. dollars)	100.0	Holding company and operating company in the U.S.	U.S.
	Toshiba (China) Co., Ltd.	249,362 (Thousands of CNY)	100.0	Operating company in the China and East Asia	China
	Toshiba of Europe Ltd.	12,532 (Thousands of pounds sterling)	100.0	Operating company in the Europe, Middle East and Africa	U.K.
	Toshiba Asia Pacific Pte. Ltd.	6,784 (Thousands of Singapore dollars)	100.0	Operating company in the Asia-Pacific	Singapore

(Notes)
1. The Company has 282 consolidated subsidiaries (including the companies listed above) in accordance with U.S. GAAP, and 134 affiliated companies accounted for by the equity method. Important affiliated companies accounted for by the equity method include KIOXIA Holdings Corporation and WingArc1st Inc.
2. The registered headquarters of Toshiba Electronic Devices & Storage Corporation is in Minato-ku, Tokyo, but the headquarters itself is in Kawasaki City.
3. Voting rights ratio includes those which are held indirectly.

5. Shares and Stock Acquisition Rights of the Company   As of March 31, 2022

(1) Total Number of Authorized Shares: 1,000,000,000

(2) Total Number of Issued Shares: 433,137,955

(Notes)
1. In June 20211 the Board of Directors resolved to repurchase shares to a maximum of 100.0 billion yen and up to 27,000,000 shares during the period from June 8, 2021 to December 31, 2021, and by September 9, 2021 (contract basis), 21,307,600 shares had been repurchased. As a result of our approach of canceling, as appropriate, all treasury stock above a certain number, 22,280,690 shares were canceled in September 2021, which led to a decrease in the total number of issued shares.
2. As a result of the issuance of new shares in March 2022 for the purpose of granting stock-based compensation, the number of shares increased by 137,955.

(3) Total Number of Shareholders: 228,187

(4) Principal Shareholders

Name of Shareholder	Number of shares (in thousands)	Shareholding ratio (percentage)
The Master Trust Bank of Japan, Ltd. (Trust Account)	49,973	11.5
SUNTERA (CAYMAN) LIMITED AS TRUSTEE OF ECM MASTER FUND	20,000	4.6
CHINOOK HOLDINGS LTD	15,392	3.6
Custody Bank of Japan, Ltd. (Trust Account)	15,300	3.5
3D INVESTMENT VALUE MASTER FUND	14,623	3.4
BCSL CLIENT RE BBPLC NYBR	12,569	2.9
The Dai-ichi Life Insurance Company, Limited	11,515	2.7
Nippon Life Insurance Company	11,035	2.6
GOLDMAN SACHS INTERNATIONAL	11,003	2.5
MSIP CLIENT SECURITIES	10,683	2.5

(Notes)
1. For the purpose of calculation of shareholding ratio in the above table of principal shareholders, treasury shares are excluded from total number of issued shares (denominator).
2. The change report on large-volume holdings offered for public inspection on June 1, 2018 notes that, as of June 1, 2018, Farallon Capital Management L.L.C. and CHINOOK HOLDINGS LTD jointly held 350,398K shares (ratio of stock certificates, etc. held: 5.37%) as shown below. As the Company cannot confirm the beneficial ownership or number of shares held by Farallon Capital Management L.L.C. and CHINOOK HOLDINGS LTD as of the end of the fiscal year under review, Farallon Capital Management L.L.C. is not included in the above table and data for CHINOOK HOLDINGS LTD stated in the above table is based on the details of the shareholder registry. The number of shares referred to in this note is the number of shares prior to share consolidation in October 2018.

Name of company	Number of stock certificates, etc. held (in thousands)	Ratio of stock certificates, etc. held (percentage)
Farallon Capital Management, L.L.C.	138,475	2.12
CHINOOK HOLDINGS LTD	211,923	3.25
Total	350,398	5.37

3. The change report on large-volume holdings offered for public inspection on March 4, 2021 notes that a total of 11 companies as noted in the table below, including BlackRock Japan Co., Ltd., held 23,720K shares as of February 26, 2021 (percentage of stock certificates, etc. held: 5.21%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the fiscal year under review, these companies are not included in the table above.

Name of company	Number of stock certificates, etc. held (in thousands)	Ratio of stock certificates, etc. held (percentage)
BlackRock Japan Co., Ltd.	4,124	0.91
BlackRock Advisers, LLC	455	0.10
BlackRock Financial Management, Inc.	631	0.14
BlackRock Investment Management LLC	482	0.11
BlackRock (Netherlands) BV	782	0.17
BlackRock Fund Managers Limited	850	0.19
BlackRock Asset Management Canada Limited	517	0.11
BlackRock Asset Management Ireland Limited	1,676	0.37
BlackRock Fund Advisors	5,725	1.26
BlackRock Institutional Trust Company, N.A.	7,625	1.67
BlackRock Investment Management (UK) Limited	848	0.19
Total	23,720	5.21

4. The report on large-volume holdings offered for public inspection on April 2, 2021 notes that 3D Investment Partners Pte. Ltd. held 32,791K shares as of March 29, 2021 (ratio of stock certificates, etc. held: 7.2%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the fiscal year under review, 3D Investment Partners Pte. Ltd. is not included in the above table.
5. The change report on large-volume holdings offered for public inspection on March 31, 2022 notes that Effissimo Capital Management Pte Ltd. held 42,868K shares as of March 24, 2021 (ratio of stock certificates, etc. held: 9.90%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of the end of the fiscal year under review, Effissimo Capital Management Pte Ltd. is not included in the above table.
6. The change report on large-volume holdings offered for public inspection on May 16, 2022 notes that Barclays Bank PLC and Barclays Capital Securities Limited jointly held

20891,K shares as of May 9, 2022 (ratio of stock certificates, etc. held: 4.82%). However, as the Company was unable to confirm the beneficial ownership or number of shares held as of March 31, 2022 by Barclays Bank PLC and Barclays Capital Securities Limited, the data stated in the table below is based on the details of the shareholder registry.

Name of company	Number of stock certificates, etc. held (in thousands)	Ratio of stock certificates, etc. held (percentage)
Barclays Bank PLC	15,476	3.57
Barclays Capital Securities Limited	55,414	1.25
Total	20,891	4.82

(5) Shareholding Ratio by Category:

As of March 31, 2022

<table>
<tr><th rowspan="3">Category</th><th colspan="8">Status of share (100 shares per share unit)</th><th rowspan="3">Status of share below the share unit</th></tr>
<tr><th rowspan="2">Government and local public entities</th><th rowspan="2">Financial institutions</th><th rowspan="2">Securities companies</th><th rowspan="2">Other entities</th><th colspan="2">Overseas entities and others</th><th rowspan="2">Individuals and others</th><th rowspan="2">Total</th></tr>
<tr><th>Other than individuals</th><th>Individuals</th></tr>
<tr><td>The number of shareholders</td><td>–</td><td>62</td><td>67</td><td>1,284</td><td>752</td><td>299</td><td>183,799</td><td>186,263</td><td>–</td></tr>
<tr><td>Shares (Share unit)</td><td>–</td><td>1,114,870</td><td>120,310</td><td>69,315</td><td>2,279,377</td><td>1,415</td><td>729,912</td><td>4,315,199</td><td>1,618,055</td></tr>
<tr><td>Ratio of share unit (Percentage)</td><td>–</td><td>25.84</td><td>2.79</td><td>1.61</td><td>52.82</td><td>0.03</td><td>16.91</td><td>100.00</td><td>–</td></tr>
</table>

(Notes)
1. The number of treasury stock of 489,871 is described in 4,898 share units in “Individuals and others” and in 71 shares in “Status of share below the share unit”
2. 23 share units registered by the name of Japan Securities Depository Center, Incorporated are included in “Other entities” above.

(6) Stock Granted to Company Officers as Compensation for Execution of Duties During the Fiscal Year Under Review:

Category	Number of shares	Number of people eligible for grants
Directors (excluding Outside Directors) and Executive Officers	40,744	18
Outside Directors	3,400	3

(Notes)

1. Directors (excluding Outside Directors) and Executive Officers include individuals who had retired at the time that grants were made.
2. Information on the Company's stock-based compensation is provided in "10. Compensation Policy and the Amount of Compensation." These are shares granted as restricted stock compensation on March 11, 2022. In cases where the individual has retired from the Company or from a specific role at a specific subsidiary due to term of service expiry, arrival at retirement age, death, or other reasons deemed by the Company to constitute justifiable grounds, the restrictions on transfer attached to the shares may be lifted. Also, in cases where there are justifiable grounds, such as the individual retiring for certain other reasons, the Company may acquire the shares without consideration. In addition, shares granted to individuals who had resigned as of the time the grants were made had no restrictions on transfer attached.
3. Monetary compensation receivables are respectively paid by the Company and its subsidiaries to four of the Directors (excluding Outside Directors) and Executive Officers, who are Executive Officers of the Company concurrently serving as directors of subsidiaries of the Company, based on their positions as directors of subsidiaries of the Company as well as Executive Officers of the Company, with these monetary compensation receivables being contributed as investments in kind to the Company in return for grants of shares. However, the figures in the above table do not include shares granted in return for monetary compensation receivables contributed as investments in kind by those who received them based on their position as directors of subsidiaries of the Company.

(7) Stock Acquisition Rights:

There is no relevant item.

6. Main Lenders of the Toshiba Group

As of March 31, 2022

Lender	Loans Outstanding (Billions of yen)
Sumitomo Mitsui Banking Corporation	104.5
Mizuho Bank, Ltd.	103.0
Sumitomo Mitsui Trust Bank, Limited	60.0

7. Financing of the Toshiba Group

In the fiscal year under review the Group was able to secure sufficient liquidity, and did not conduct any material fund procurement in the form of borrowing, capital increases, or issuance of corporate bonds.

8. Capital Expenditure of the Toshiba Group

(1) Overview

The Group plans to accelerate investment aimed at organic growth with a focus on strengthening its core earning power and allocating resources towards growth areas. During

the fiscal year under review, the Group executed capital investment of 167.5 billion yen (order basis, including intangible assets; the same applies hereafter).
In Infrastructure Systems & Solutions investments were made to improve the logistics function, in business sites. In Energy Systems & Solutions, investments were made to reinforce the production system. In Electronic Devices & Storage Solutions, investments were made to increase production capacity of power semiconductors (300-mm wafer production line, etc.) and nearline HDDs. Other investments were made for IT system renewal to improve the battery business and operational efficiency, and for construction of new R&D facility.

(Billions of yen)

Segment	Capital Expenditures
Energy Systems & Solutions	12.0
Infrastructure Systems & Solutions	15.2
Building Solutions	13.7
Retail & Printing Solutions	6.0
Electronic Devices & Storage Solutions	68.2
Digital Solutions	1.7
Others	50.7
Total	167.5

(2) Primary Capital Expenditures

	Segment	Outline
Completed during the term	Energy Systems & Solutions	• New construction of biomass power plant to strengthen the renewable energy generation business (SIGMA POWER Ariake Corporation)
Ordered during the term	Energy Systems & Solutions	• Reinforcement of production system for the nuclear fuel business (Nuclear Fuel Industries, Ltd.)
	Infrastructure Systems & Solutions	• Construction of new logistics facilities in Fuchu Complex (Toshiba Infrastructure Systems & Solutions Corporation)
	Electronic Devices & Storage Solutions	• Manufacturing facilities for power semiconductors (300-mm wafer production line) (Toshiba Device & Storage Corporation) • Manufacturing facilities for power semiconductors (200-mm wafer production line) (Kaga Toshiba Electronics Corporation and Japan Semiconductor Corporation) • Nearline HDD manufacturing facilities (Toshiba Electronic Devices & Storage Corporation and Toshiba Information Equipment (Philippines), Inc.)
	Others (shared group-wide)	• Renewal of IT systems and next-generation platform IT systems (head office and branch offices) • Construction of new R&D facilities (Komukai Complex, the Company)

9. Names, Responsibilities, etc. of the Company's Directors / Officers As of March 31,

(1) Directors

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Director	Satoshi Tsunakawa	Chairperson of the Board of Directors (provisional)	
Director	Mamoru Hatazawa		
Outside Director	Paul J. Brough	Chairperson of the Strategic Review Committee; Member of the Nomination Committee; Member of the Audit Committee	
Outside Director	Ayako Hirota Weissman	Member of the Compensation Committee; Member of the Strategic Review Committee	Senior Vice President, Senior Portfolio Manager and Director in charge of Asia Strategy, Horizon Kinetics LLC; Non-Executive Director, Nippon Active Value Fund plc
Outside Director	Jerome Thomas Black	Chairperson of the Compensation Committee; Member of the Nomination Committee; Member of the Strategic Review Committee	Advisor, Aeon Co., Ltd.
Outside Director	George Raymond Zage III	Chairperson of the Nomination Committee; Member of the Strategic Review Committee	Independent Non-Executive Director, Whitehaven Coal Limited; Founder and CEO, Tiga Investments Pte. Ltd.; Commissioner (Non-Executive), PT Lippo Karawaci Tbk Chairman and CEO, Tiga Acquisition Corp Director, EDBI, Pte. Ltd
Outside Director	Mariko Watahiki	Member of the Nomination Committee; Member of the Audit Committee; Member of the Compensation Committee	Attorney at Law, Okamura Law Office Outside director, Member of the Nomination Committee, and Member of the Governace Committee, LIXIL Corporation

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Outside Director	Katsunori Hashimoto	Chairperson of the Audit Committee; Member of the Nomination Committee; Member of the Strategic Review Committee	Chairperson, DSS Sustainable Solutions Japan, LLC Professor, Graduate School of Business Administration, Tokyo Metropolitan University

(Notes)

1. Mr. Nobuaki Kurumatani retired as Director on April 14, 2021.
2. Following six Outside Directors retired from their respective offices due to expiry of the term of office at the closing of the Ordinary General Meeting of Shareholders for the 182nd fiscal period held on June 25, 2021: Mr. Osamu Nagayama, Mr. Yuki Furuta, Mr. Junji Ota, Mr. Nobuyuki Kobayashi, Mr. Takashi Yamauchi and Mr. Yoshiaki Fujimori.
3. Outside Directors Ms. Mariko Watahiki, Mr. George Olcott and Mr. Katsunori Hashimoto were newly elected and assumed office at the Ordinary General Meeting of Shareholders for the 182nd fiscal period.
4. Mr. George Olcott resigned as Outside Director on June 25, 2021.
5. Mr. Paul J. Brough, Member of the Audit Committee, is a Chartered Accountant in the UK, and is equipped with a considerable level of knowledge in finance and accounting.
6. In order to further reinforce reporting and collection of information from the management side, and to fulfill audit activities by the Audit Committee, the Company has appointed Mr. Katsunori Hashimoto as the full-time member of the Audit Committee.
7. The following six Outside Directors are independent directors as defined by the Tokyo Stock Exchange: Mr. Paul J. Brough, Ms. Ayako Hirota Weissman, Mr. Jerome Thomas Black, Mr. George Raymond Zage III, Ms. Mariko Watahiki and Mr. Katsunori Hashimoto.
8. The Strategic Review Committee was formed on June 25, 2021, and assigned the mission of supporting decision-making by the Board of Directors of the Company.
9. On April 7, 2022, the Strategic Review Committee was disbanded and a Special Committee was formed with the aim of engaging with potential investors and sponsors, and considering strategic options.
10. The following changes occurred on April 7, 2022.

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Director	Satoshi Tsunakawa	Chairperson of the Board of Directors (provisional)	
Director	Mamoru Hatazawa		
Outside Director	Paul J. Brough	Vice Chairperson ot the Special Committee, Member of the Nomination Committee; Member of the Audit Committee;	

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Outside Director	Ayako Hirota Weissman	Member of the Compensation Committee; Member of the Special Committee	Senior Vice President, Senior Portfolio Manager and Director in charge of Asia Strategy, Horizon Kinetics LLC; Non-Executive Director, Nippon Active Value Fund plc
Outside Director	Jerome Thomas Black	Chairperson of the Special Committee; Chairperson of the Compensation Committee; Member of the Nomination Committee	Advisor, Aeon Co., Ltd.
Outside Director	George Raymond Zage III	Chairperson of the Nomination Committee; Member of the Special Committee	Independent Non-Executive Director, Whitehaven Coal Limited; Founder and CEO, Tiga Investments Pte. Ltd.; Commissioner (Non-Executive), PT Lippo Karawaci Tbk Chairman and CEO, Tiga Acquisition Corp Director, EDBI, Pte. Ltd
Outside Director	Mariko Watahiki	Member of the Nomination Committee; Member of the Audit Committee; Member of the Compensation Committee; Member of the Special Committee	Attorney at Law, Okamura Law Office Outside director, Member of the Nomination Committee, and Member of the Governace Committee, LIXIL Corporation
Outside Director	Katsunori Hashimoto	Chairperson of the Audit Committee; Member of the Nomination Committee; Member of the Special Committee	Chairperson, DSS Sustainable Solutions Japan, LLC Professor, Graduate School of Business Administration, Tokyo Metropolitan University

(2) Outside Directors

1) Relationship between the Company and entities at which outside directors hold significant concurrent positions
There is no signicicant relationship to be disclosed between the Company and other entities at which Outside Directors hold significant concurrent positions.

2) Main Activities

a. Attendance, statements made, etc. at the Board of Directors meetings and other meetings

During the FY2021, the Board of Directors met 27 times, the Nomination Committee 20 times, the Audit Committee 13 times, the Compensation Committee 17 times and the Strategic Review Committee 20 times, and the Outside Directors commented as necessary at those meetings. The Outside Directors received explanations about the matters to be resolved at the board meetings from Executive Sessions, the staff in charge, the administrative office for the Board of Directors, etc. in advance. They also made an effort to communicate and share information with the Executive Officers.

The Outside Directors who were members of the Audit Committee were supported by the full-time staff of the Audit Committee Office. The Outside Directors who were members of the Strategic Review Committee were supported by the full-time staff of the Strategic Review Committee Office. The Outside Directors who were members of the Nomination Committee or the Compensation Committee were supported by the staff in charge, etc. as necessary.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
Paul J. Brough	Chairperson of the Strategic Review Committee; Member of the Nomination Committee; Member of the Audit Committee	Attended 27 (100%) meetings of the Board of Directors held during the fiscal year under review. He is a Chartered Accountant in the UK, and possesses a considerable level of insight regarding finance and accounting, and he has extensive experience relating to M&A as a financial advisor. He also has extensive experience in business restructuring, having been engaged in asset liquidation for Lehman Brothers entities located in Asia, and having served as a restructuring officer (person in charge of business rehabilitation) at several companies. In addition, he has international business experience, having served as an executive director and as a non-executive director at overseas corporations. Considering such international business experience, and extensive experience in M&A and business restructuring, and his broad track record and extensive knowledge as a corporate manager, the Company expects him to effectively contribute to the deliberation of the Company’s basic strategies and provide appropriate supervision of the Company’s management. In the fiscal year under review, he led discussion in the Strategic Review Committee as a chairman of the Strategic Review Committee, and at the meetings of the Board of Directors, he provided suggestions, etc. from a specialized standpoint based on his experience, particularly regarding the evaluating and examining various strategic options with analysis and input from the Strategic Review Committee and formulation of the Strategic Reorganization Plan, formulation of the recurrence prevention measures based on suggestions in investigation report of Governance Enhancement Committee, to hold the Extraordinary General Meeting of Shareholders with respect to moving forward with our examination of the Strategic Reorganization Plan, and engagement with shareholders. In addition, as a chairman of the Strategic Review Committee member of the Nomination Committee, and member of the Audit Committee, he attended 20 (100%) meetings of the Strategic Review Committee, 13 (100%) meetings of the Nomination Committee, and 9 (100%) meetings of the Audit Committee held after he was elected , and made necessary statements as appropriate.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
Ayako Hirota Weissman	Member of the Compensation Committee; Member of the Strategic Review Committee	Attended 27 (100%) meetings of the Board of Directors held during the fiscal year under review. She has abundant experience and extensive insight relating in particular to investment businesses, having been engaged in various investment businesses, notably her long-standing work in equity investment in Japan and overseas. Moreover, in addition to having international business experience, she also has insight into Japanese corporations, having served as outside Director of a Japanese corporation. Considering such business experience, and extensive insight related to capital markets, the Company expects her to effectively contribute to the deliberation of the Company's basic strategies and provide appropriate supervision of the Company's management. In the fiscal year under review, she contribute to examine various strategic options as a member of the Strategic Review Committee, and at the meetings of the Board of Directors, she provided suggestions, etc. from a specialized standpoint based on her experience, particularly regarding the evaluating and examining various strategic options with analysis and input from the Strategic Review Committee and formulation of the Strategic Reorganization Plan, formulation of the recurrence prevention measures based on suggestions in investigation report of Governance Enhancement Committee, to hold the Extraordinary General Meeting of Shareholders with respect to moving forward with our examination of the Strategic Reorganization Plan, and engagement with shareholders. In addition, as a member of the Nomination Committee, member of the Compensation Committee, and member of the Strategic Review Committee she attended 7(100%) meetings of the Nomination Committee held by end of June, 2021, 14 (100%) meetings of the Compensation Committee and 19 (95%) meetings of the Strategic Review Committee held after she was elected, and made necessary statements as appropriate.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
Jerome Thomas Black	Chairperson of the Compensation Committee; Member of the Nomination Committee; Member of the Strategic Review Committee	Attended 27(100%) meetings of the Board of Directors held during the fiscal year under review. In addition to possessing experience at international consulting firms, he has served as a person responsible for business execution at Japanese corporations for many years. Considering that he has executed business as a person in charge of Group strategies and IT and digital businesses, and has extensive insight regarding the management of Japanese corporations along with international business experience, the Company expects him to effectively contribute to the deliberation of the Company's basic strategies and provide appropriate supervision of the Company's management. In the fiscal year under review, he contributed to examining various strategic options as a member of the Strategic Review Committee, and at the meetings of the Board of Directors, he provided suggestions, etc. from a specialized standpoint based on his experience, particularly regarding the evaluating and examining various strategic options with analysis and input from the Strategic Review Committee and formulation of the Strategic Reorganization Plan, formulation of the recurrence prevention measures based on suggestions in investigation report of Governance Enhancement Committee, to hold the Extraordinary General Meeting of Shareholders with respect to moving forward with our examination of the Strategic Reorganization Plan, and engagement with shareholders. In addition, as a chairman of the Compensation Committee, member of the Nomination Committee and member of the Strategic Review Committee, he attended 14 (100%) meetings of the Compensation Committee held during the fiscal year under review and 13 (100%) meetings of the Nomination Committee and 18 (90%) meetings of the Strategic Review Committee held after he was elected, and made necessary statements as appropriate.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
George Raymond Zage III	Chairpesonof the Nomination Committee; Member of the Strategic Review Committee	Attended 26 (96%) meetings of the Board of Directors held during the fiscal year under review. He has served at Farallon Capital, a prominent investment fund group, for 18 years and from 2008, he has been in charge of the Farallon Capital Group's Asia region as CEO of Farallon Capital Asia Pte. Ltd. He has diverse and extensive experience in investment in listed and unlisted companies, along with much experience in investment in startups and business rehabilitations. Considering such experience in investment funds, the Company expects him to bring expertise on business portfolios, business restructuring, M&A, capital markets and capital allocation to the Board of Directors, and effectively contribute to the deliberation of the Company's basic strategies and provide appropriate supervision of the Company's management. In the fiscal year under review, he contribute to examine various strategic options as a member of the Strategic Review Committee, and at the meetings of the Board of Directors, he provided suggestions, etc. from a specialized standpoint based on his experience, particularly regarding the evaluating and examining various strategic options with analysis and input from the Strategic Review Committee and formulation of the Strategic Reorganization Plan, formulation of the recurrence prevention measures based on suggestions in investigation report of Governance Enhancement Committee, to hold the Extraordinary General Meeting of Shareholders with respect to moving forward with our examination of the Strategic Reorganization Plan, and engagement with shareholders. In addition, as a chairman of the Nomination Committee, and as a member of the Strategic Review Committee, he attended 13 (100%) meetings of the Nomination Committee, and 19 (95%) meetings of the Strategic Review Committee held after he was elected,, and made necessary statements as appropriate.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
Mariko Watahiki	Member of the Nomination Committee; Member of the Audit Committee; Member of the Compensation Committee	Attended 18 (100%) meetings of the Board of Directors heldafter sha was elected. She possesses extensive insight and experience as a legal professional, having performance her duties as a judge ofr more than 40 years in such roles as Seinor Judical Research Offical of the Supreme Court, Chief Justice of the Sapporo High Court, and Chief Justice of the Nagoya High Court, and the Company expects her to effectively contribute to the deliberation of the Company's basic strategies and to appropriately supervise the Company's management. After sha was elected, as a member of the Governance Enhancement Committee, the Committee compiled recommendations for investigating the true causes, clarifying the responsibilities, and formulating measures to prevent the recurrence of the so-called "pressure problems." The Board of Directors, in particular, made recommendations from a specialist standpoint based on its experience in evaluating and considering our strategic options and formulating strategic reorganization proposals in response to the verification and recommendations of the Strategy Committee, formulating measures to prevent recurrence in response to the investigation report of the Governance Enhancement Committee, holding extraordinary general meetings of shareholders, and engaging with shareholders. Based on the above background and the content of activities for the current fiscal year, as a member of the Special Committee in the future, we expect to contribute beneficially to the examination of legal issues, including foreign exchange and foreign trade laws, which are involved in the examination of strategic options for enhancing our corporate value.In addition, as members of the Nominating Committee, as the member of Audit Committee, and as the member of Compensation Committee, she attended 13 (100%) meetings of the Nomination Committee,9 (100%) meetings of the Audit Committee 14 (100%) meetings, held after she was elected and made necessary comments as necessary. In addition, as members of the Audit Committee, she exercised investigation authority based on the Companies Act based on deep knowledge as legal experts, and actively supervised our management, etc. by recommending a review of the system for reporting on risk matters.made necessary statements as appropriate.

Name	Responsibility	Status of attendance, comments, and overview of duties performed in relation to the roles expected of Outside Directors
Katsunori Hashimoto	Chairperson of the Audit Committee; Member of the Nomination Committee; Member of the Strategic Review Committee	Attended 18 meetings of the Board of Directors (100%) held during the fiscal year under review. He possesses abundant experience and extensive knowledge as a manager based on his service in a variety of roles, such as CFO of the UK subsidiary of a Japanese manufacturer, manager of internal audit division of the US subsidiary of an international chemical manufacturer, and director, general manager of the finance department, and subsequently senior vice president of the Japanese subsidiary of an international chemical manufacturer. Accordingly, the Company expects him to effectively contribute to the deliberation of the Company's basic strategies and to appropriately supervise the Company's management. After he was elected , as a member of the Strategy Review Committee, will contribute beneficially to the consideration of our strategic options. In conjunction with the Board of Directors, we evaluate our strategic options, particularly those reviewed and recommended by the Strategy Committee. Formulation of deliberations and strategic realignment initiatives, and formulation of preventive measures in response to the investigation report of the Committee on Strengthening Governance, Regarding the holding of extraordinary general meetings of shareholders and engagement with shareholders in the pursuit of strategic reorganization, Based on this experience, we provided recommendations from a specialist's point of view. In addition, as the chairman of the Audit Committee a member of the Nominating Committee and a member of the Strategic Review Committee, he attended the the 9 (100%) meetings of the Audit Committee and 13 (100%) meetings of the Nominating Committeee, 20(100%) meetings of the Strategic Review Committee, held after he was elected and made necessary statements as appropriate.and the Nominating Committee (100%), and made necessary comments as appropriate

3) Limited Liability Contracts
The Company has entered into a liability limitation agreement with each of the following six Outside Directors under which, with regard to the liability set forth in Article 423, Paragraph 1 of the Companies Act, compensation to be paid by any of them shall be limited to the higher of a pre-determined amount of at least 10 million yen and the minimum liability set forth in Article 425, Paragraph 1 of the Companies Act: Mr. Paul J. Brough, Ms. Ayako Hirota Weissman, Mr. Jerome Thomas Black, Mr. George Raymond Zage III, Ms. Mariko Watahiki and Mr. Katsunori Hashimoto.

(3) Executive Officers

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Representative Executive Officer President and Chief Executive Officer	Taro Shimada	CEO	Director, WingArc1st Inc.
Representative Executive Officer Corporate Senior Executive Vice President and Chief Operating Officer	Goro Yanase	General Executive, Strategic Planning Div.; General Executive, Infrastructure Services Promotion Div.	
Representative Executive Officer Corporate Executive Vice President, Chief Financial Officer	Masayoshi Hirata	General Executive, Spend Management Project Team; General Executive, Finance & Cash Management Div., Accounting Div.; General Executive, Project Monitoring & Oversight Div.	
Representative Executive Officer Corporate Executive Vice President	Naoya Sakurai	General Executive, Legal Affairs Div.; General Executive, Internal Control Promotion Div.	
Representative Executive Officer Corporate Executive Vice President	Takayuki Konno	General Executive, Marketing Div.; General Executive, Branch Offices; Responsible for Infrastructure Systems Business; Responsible for Building Solutions Business; Assistant to Corporate Senior Vice President, Mr. Konishi (regarding Toshiba Plant Systems & Services Corporation); General Executive, the Americas	Representative Director and President and CEO, Toshiba Infrastructure Systems & Solutions Corporation

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Representative Executive Officer Corporate Executive Vice President	Hiroyuki Sato	General Executive, Battery Div.; Responsible for Electronic Devices & Storage Business; General Executive, Europe, Middle East and Africa General Executive, China and East Asia	Representative Director and President and CEO, Toshiba Electronic Devices & Storage Corporation
Executive Officer Corporate Senior Vice President	Keiichi Yumita	General Executive, Information Systems Div.; General Executive, Business Process Re-engineering Div.	
Executive Officer Corporate Senior Vice President	Tsutomu Kamijo	General Executive, Procurement Div.; General Executive, Corporate Production Planning Div.; Assistant to Corporate Senior Vice President, Mr. Ishii (regarding Corporate Manufacturing Engineering Center)	
Executive Officer Corporate Senior Vice President	Hideaki Ishii	General Executive, Corporate Technology Planning Div.; General Executive, Corporate Research & Development Center; General Executive, Corporate Manufacturing Engineering Center; General Executive, Digital Innovation Technology Center	
Executive Officer Corporate Senior Vice President	Takao Konishi	General Executive, WEC Div., Responsible for Energy Systems & Solutions Business, General Executive, Asia Pacific	Representative Director and President and CEO, Toshiba Energy Systems & Solutions Corporation
Executive Officer Corporate Senior Vice President	Shunsuke Okada	General Executive, Cyber-Physical Systems x Design Div.; Responsible for Digital Solutions Business	Director and President and CEO, Toshiba Digital Solutions Corporation

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Executive Officer Corporate Vice President	Hitoshi Ootsuka	General Executive, Internal Audit Div.; Vice President, Audit Committee Office	
Executive Officer Corporate Vice President	Takamasa Mihara	General Executive, Sustainability Management Div.; General Executive, Human Resources & Administration Div.; General Executive, Corporate Communication Div.	Director, Toshiba TEC Corporation
Executive Officer Corporate Vice President	Naofumi Tani	Vice President, Strategic Review Committee Office	

(Notes)

1. Mr Nobuaki Kurumatani resigned as Ececutive officer and retired from as Representative Executive Officer on April 14, 2021.
2. Representative Excutitve Officer, Corporate Senior Executive Vice President Masayasu Toyohara and Executive Officer, Corporate Senior Vice President Masaharu Kamo retired from their respective offices due to expiry of the term of office at the closing of the first meeting of the Boadr of Directors held after the 182nd Ordinary General Meeting of Shareholders.
3. On March 1, 2022, Satoshi Tsunakawa, Mamoru Hatazawa, and Shigeru Fukuyama resigned as executive officers.
4. The following changes occurred on April 1, 2022.

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Representative Executive Officer President and Chief Executive Officer	Taro Shimada	CEO	Director, WingArc1st Inc
Representative Executive Officer Corporate Senior Executive Vice President and Chief Operating Officer	Goro Yanase	General Executive, Strategic Planning Div.; General Executive, Infrastructure Services Promotion Div.	

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Representative Executive Officer Corporate Executive Vice President, Chief Financial Officer	Masayoshi Hirata	General Executive, Finance & Cash Management Div.; Accounting Div.; General Executive, Project Monitoring & Oversight Div.	
Representative Executive Officer Corporate Executive Vice President	Naoya Sakurai	General Executive, Legal & Compliance Div.	
Representative Executive Officer Corporate Executive Vice President	Takayuki Konno	General Executive, Marketing Div.; General Executive, Battery Div.; General Executive, Branch Offices; Responsible for Infrastructure Systems Business; Responsible for Building Solutions Business; Assistant to Corporate Senior Vice President, Mr. Konishi (regarding Toshiba Plant Systems & Services Corporation); General Executive, the Americas	Representative Director and President and CEO, Toshiba Infrastructure Systems & Solutions Corporation
Representative Executive Officer Corporate Executive Vice President	Hiroyuki Sato	Responsible for Electronic Devices & Storage Business; General Executive, Europe, Middle East and Africa General Executive, China and East Asia	Representative Director and President and CEO, Toshiba Electronic Devices & Storage Corporation
Executive Officer Corporate Senior Vice President	Keiichi Yumita	General Executive, Information Systems Div.; General Executive, Business Process Re-engineering Div.	
Executive Officer Corporate Senior Vice President	Tsutomu Kamijo	General Executive, Procurement Div.; General Executive, Corporate Production Planning Div.; Assistant to Corporate Senior Vice President, Mr. Ishii (regarding Corporate Manufacturing Engineering Center)	

Assignment	Name	Responsibility	Status of significant concurrent holding of positions
Executive Officer Corporate Senior Vice President	Hideaki Ishii	General Executive, Corporate Technology Planning Div.; General Executive, Corporate Research & Development Center; General Executive, Corporate Manufacturing Engineering Center; General Executive, Digital Innovation Technology Center	
Executive Officer Corporate Senior Vice President	Takao Konishi	General Executive, WEC Div., Responsible for Energy Systems & Solutions Business, General Executive, Asia Pacific	Representative Director and President and CEO, Toshiba Energy Systems & Solutions Corporation
Executive Officer Corporate Senior Vice President	Shunsuke Okada	General Executive, Cyber-Physical Systems x Design Div.; Responsible for Digital Solutions Business	Director and President and CEO, Toshiba Digital Solutions Corporation
Executive Officer Corporate Vice President	Hitoshi Ootsuka	General Executive, Internal Audit Div.; Vice President, Audit Committee Office	
Executive Officer Corporate Vice President	Takamasa Mihara	General Executive, Sustainability Management Div.; General Executive, Human Resources & Administration Div.; General Executive, Corporate Communication Div.	Director, Toshiba TEC Corporation
Executive Officer Corporate Vice President	Naofumi Tani	Vice President, Strategic Review Committee Office	

5. Mr. Taro Shimada as CEO, and Mr. Goro Yanase as COO, are both provisional appointments. “Provisional” means that the state of the execution of duties by the appointees, and their performance, will be monitored by the Board of Directors until it can be confirmed that their achievements are commensurate with their positions, and the Company continues to consider the promotion of personnel from outside the Company, as necessary.
6. Naofumi Tani resigned as Executive Officer on April 30, 2022.

(4) State of activities of the Board of Directors and committees

The following outlines the Board of Directors' and committees' principal activities held in FY2021.

1) State of activities of the Board of Directors

- The report of June 10, 2021 submitted by the persons who investigated the status of the operations and property of the stock company as set forth in Article 316, Paragraph 2 of the Companies Act indicates that, when compared to the provisions of the Corporate Governance Code, the Ordinary General Meeting of Shareholders for the 181st fiscal year held on July 31, 2020 cannot be said to have been conducted in a fair manner. With regard to the so-called Pressure Problem, in which external third parties also participated, it was determined that an objective, transparent, and exhaustive inquiry should be conducted into the real causes and facts of the matter to clarify the locus of responsibility and to put together measures to prevent a recurrence. To this end, a Governance Enhancement Committee was set up and commissioned to provide advice in relation to the causes of the problem, the clarification of responsibility, and measures to prevent a recurrence. The report compiled by this Committee was received on November 12, 2021.
- Based on the advice given in the above-mentioned Committee report, the Board of Directors and executives have held discussions and formulated measures to prevent a recurrence, focused on building healthy relationships of trust with shareholders, improving an organizational structure that is excessively reliant on government ministries and agencies, rebuilding of corporate governance, and practicing the correct "tone at the top."
- In June 2021, a Strategic Review Committee ("SRC") was set up, and worked to formulate business plans aimed at maximizing shareholder value. Over the course of approximately five months, the Company evaluated and considered various strategic options based on verification by and advice from the SRC.
- With the objective of eliciting the opinions of shareholders and other matters in relation to the above-mentioned strategic restructuring, the decision was taken to hold an Extraordinary General Meeting of Shareholders on March 24, 2022. At the Extraordinary General Meeting of Shareholders, proposals by both the Company and shareholders were rejected, but based on the opinions of shareholders as revealed at the Extraordinary General Meeting of Shareholders the Company decided to maintain its efforts to rebuild relationships of trust with shareholders while continuing to consider all available strategic options to enhance corporate value.
- The Board of Directors was provided with reports on business plans, budget, risk control information and the state of duty execution by Directors and Executive Officers pursuant to applicable laws and regulations, the Articles of Incorporation, the Board of Directors Regulations, etc.

2) State of activities by committees

a. Nomination Committee

- The Nomination Committee deliberated candidates for successors to Executive Officer, President and CEO.
- The Nomination Committee deliberated on a proposal for the election of Executive Officer, President and CEO.
- The Nomination Committee deliberated on the composition of the Board of Directors.
- The Nomination Committee deliberated on the candidates for Outside Directors.

- The Nomination Committee deliberated on the election of Chairperson of the Board of Directors to be submitted to the Board of Directors.

b. Audit Committee

- The Audit Committee audited the state of the execution of duties by executives, by attending the Board of Directors and other key meetings and by making inquiries to Executive Officers and other personnel, with a focus on the state of observance of laws and regulations and preventing the recurrence of inappropriate accounting conduct. In addition, the Audit Committee received reports regularly from the Internal Audit Division on their audit results, and from the Internal Control Promotion Division and the Project Audit Division on their state of activities. The Audit Committee also made inquiries to other internal control management departments, thereby verifying the state of implementation of improved internal control system and the status of progress of corporate culture reform programs. All of the full-time and part-time Audit Committee members attended all hearings and reporting sessions, checked materials and minutes, and participated actively in audit activities.
- Outside Director Katsunori Hashimoto, Chairperson of the Audit Committee, collected information actively, which involves attending important meetings (such as corporate management meetings, Risk-Compliance Committee meetings, and Annual Securities Report Disclosure Committee meetings). In addition, Mr. Hashimoto worked to enhance communication with each department through meetings with executives in each department. The information collected was shared with the Audit Committee members in a timely manner.
- With regard to the inappropriate accounting conduct, the Company continued the claim for damages filed in the Tokyo District Court in November 2015 against five former executives, including those with experience as President.
- The whistleblowing system operated by the Audit Committee, the committee received 34 whistleblowing reports and responded. The Audit Committee was briefed on details and status of responses of all 148 reports to the whistleblowing contact point on the Company's executive side. The committee has prioritized the reports related to accounting and compliance to verify their investigation results and status of improvements.
- Through liaison meeting with Group company auditors, as well as through education and the like, the Audit Committee worked to strengthen auditing governance of Group companies and improve audit quality by bolstering coordination with Group company's auditors.
- With regard to so-called Pressure Problem described in the report of June 10, 2021 submitted by the persons who investigated the status of the operations and property of the stock company as set forth in Article 316, Paragraph 2 of the Companies Act, the Audit Committee selected members of the Governance Enhancement Committee set up to provide advice in relation to the causes of the problem, the clarification of responsibility, and measures to prevent a recurrence. As an Outside Director who is a member of the Audit Committee, Mariko Watahiki conducted interviews with related parties, consulted with external advisors, and created an investigation report. Furthermore, in terms of monitoring the organizational structure for improvements to resolve the excessive reliance on government ministries and agencies, the Audit Committee began operating a system of checking the record of contacts between officers and employees of the Company and senior government officials.

c. Compensation Committee
   - The Compensation Committee deliberated on the provision of the performance-linked compensation for Executive Officers, etc. according to their performance evaluation for FY2020.
   - The Compensation Committee deliberated on changes to, and the applicable period of, FY2021 compensation.
   - The Compensation Committee deliberated on revisions to the Compensation Policy and the Officer Compensation Rules.
   - The Compensation Committee deliberated on the details of the individual compensation to be paid to Directors and Executive Officers from July 2021.
   - The Compensation Committee deliberated certain parts of compensation for Directors.
   - Based on the report of the Governance Enhancement Committee, the Compensation Committee deliberated the treatment of compensation for officers.
   - The Compensation Committee deliberated on FY2021 short-term incentives for Executive Officers.
   - The Compensation Committee deliberated on the compensation plan for Directors and Executive Officers.

d. Strategic Review Committee
   - The Strategic Review Committee engaged with shareholders, and received extensive feedback.
   - The Strategic Review Committee requested the executive team to formulate a mid-term business plan, and deliberated the plan that was subsequently submitted.
   - The Strategic Review Committee engaged with strategic and financial investors, and deliberated options other than those in the mid-term business plan.
   - The Strategic Review Committee deliberated the structure of tax-qualified spin-offs.
   - The Strategic Review Committee supervised preparations for spin-off plans.
   - On April 7, 2022, a Special Committee was established with the aim of engaging with potential investors and sponsors and considering strategic options. As a result, the Strategic Review Committee was dissolved.

(5) Summary, etc. of the directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company. The scope of individuals covered by this policy is Toshiba directors, executive officers, and directors and auditors of subsidiaries (excluding subsidiaries publicly listed in Japan and their subsidiaries). By resolution of the Board of Directors, the Company bears the full cost of insurance premiums for all individuals covered.

The insurance company carrying this policy shall cover claims for damages (compensation amounts, amounts from legal action, etc.) incurred by individuals covered by the policy and becoming subject, during the period of the policy, to a lawsuit related to actions carried out in the course of executing Company business, such as a shareholder lawsuit (Companies Act Article 847), a third-party lawsuit (Companies Act Article 429), or the like. However, measures have been taken to ensure that the adequacy of the execution of duties by officers, etc. shall not be compromised, which is ensured by excluding from the scope of liability criminal conduct of covered individuals and acts imparting personal benefit to covered individuals.

When the policy is renewed, the Company plans to renew the policy with the same terms.

(6) Summary, etc. of the indemnity agreement

The Company has entered into a liability limitation agreement as set forth in Article 430-2, Paragraph 1 of the Companies Act, under the terms of which the Company shall compensate expenses under Item 1 of said Paragraph and compensate losses under Item 2 of said Paragraph to the extent permitted by laws and regulations, with each of the following 22 officers: Mr. Satoshi Tsunakawa, Mr. Mamoru Hatazawa, Mr. Paul J. Brough, Ms. Ayako Hirota Weissman, Mr. Jerome Thomas Black, Mr. George Raymond Zage III, Ms. Mariko Watahiki, Mr. Katsunori Hashimoto, Mr. Taro Shimada, Mr. Goro Yanase, Mr. Masayoshi Hirata, Mr. Naoya Sakurai, Mr. Takayuki Konno, Mr. Hiroyuki Sato, Mr. Keiichi Yumita, Mr. Tsutomu Kamijo, Mr. Hideaki Ishii, Mr. Takao Konishi, Mr. Shunsuke Okada, Mr. Hitoshi Ootsuka, and Mr. Takamasa Mihara. The contract periods for the liability limitation agreements will terminate at the time of retirement or resignation. However, measures have been taken to ensure that the adequacy of the execution of duties by officers, etc. shall not be compromised, which is ensured by excluding from the scope of liability criminal conduct of covered individuals and acts imparting personal benefit to covered individuals.

Note that the Company had also entered into liability limitation agreements with Mr. Shigeru Fukuyama and Mr. Naofumi Tani, who resigned as Executive Officer on March 1, 2022 and April 30, 2022, respectively.

10. Compensation Policy and the Amount of Compensation

(1) Compensation Policy

The Compensation Committee establishes compensation policy regarding compensation of each Director and/or Executive Officer. With respect to matters such as compensation for Company Directors and Executive Officers for the current fiscal year, the Compensation Committee has determined that the Company's method for determining compensation and the amount of compensation already determined are aligned with this policy.

The content of the policy concerning decision-making with regard to compensation, etc. for individual Company officers is as follows.

Since the main responsibility of Directors is to supervise the execution of the overall Group's business, and increase the corporate value, the basic policy is to determine compensation for Directors by chiefly focusing on securing highly competent personnel, ensuring effective functioning of the supervisory function, and improving corporate value from a medium- to long-term perspective.

Since the main responsibility of Executive Officers is to increase corporate value in their capacity as executives responsible for companies or divisions within the Group, the Company has a basic policy to determine compensation for Executive Officers at an adequate level to secure highly competent personnel and ensure the effectiveness of their compensation package as an incentive to improve business performance, based on a balance between fixed compensation and performance-linked compensation.

i. Compensation for Directors
   - Directors are paid the basic compensation (fixed amount) and stock-based compensation calculated according to his/her duties. An allowance is provided for nonresidents of Japan (the country where the HQ is located). For Directors who concurrently serve as Executive Officers, only compensation for Executive Officers in item ii. is paid and compensation for Directors is not paid.
   - With regard to the stock compensation, mechanisms such as restricted stocks with transfer restrictions until retirement will be used.

ii. Compensation for Executive Officers
   - Compensation for Executive Officers consists of basic compensation (fixed amount) determined according to rank, stock compensation, and performance-linked compensation.
   - Performance-linked compensation is determined in accordance with the performance of the company overall and the divisions under the charge of the Executive Officer during the fiscal year, as well as the medium- to long-term management indicators, with cash and shares paid at a rate set according to rank.
   - With regard to the stock compensation and performance-linked compensation (shares) that is paid in the form of the Company's stock, mechanisms such as restricted stocks with transfer restrictions until retirement are used to secure effectiveness as an incentive for medium- to long-term improvement of business performance.

iii. Compensation Standards

   Compensation standards are determined at suitable levels as a global company, with the aim of securing highly competent management personnel. The compensation standards of other listed companies and payroll and benefits of the Company's employees are considered when determining the Company's compensation standards of management.

(2) Amount of Compensation

Item	Number of Directors/Executive Officers	Total amount (Millions of yen)	Basic compensation (fixed amount) (Millions of yen)		Performance-linked compensation (Millions of yen)	
			Monetary compensation	Stock-based compensation	Monetary compensation	Stock-based compensation
Directors	13	298	250	47	–	–
[Outside Directors]	[12]	[287]	[233]	[42]	–	–
Executive Officers	20	2,090	563	141	554	831

(Notes)

1. The above-mentioned compensations include: 1) compensations for the Directors who retired at the closing of the Ordinary General Meeting of Shareholders held on June 25, 2021, and 2) compensations for the Executive Officers who resigned or retired by the end of March 2022, with regard to the period from April 2021 to their respective resignation/retirement date.
2. Within the amount of compensation for Executive Officers, the basic compensation is a fixed amount. For performance-linked compensation, the amount of provision reasonably estimated as of the end of March 2022 is stated.
3. The long-term incentive compensation included in performance-linked compensation is calculated over a period of three years, and of the amount estimated to be paid, the portion that will be treated as expenses in FY2021 is stated.
4. Because the amount of long-term incentive compensation paid is determined based on a three-year TSR for the Company and its peer group at the conclusion of the calculation period, the amount stated includes the estimated amount (826 million yen) for which performance will not be finalized until beyond FY2022, and at this point in time payments have not been finalized.
5. The provision for performance-linked compensation reasonable estimated as of the end of March 2022 is included in the compensation, etc. of Executive Officers.
6. For Executive Officers who are concurrently serving as directors of subsidiaries, their compensation as director of subsidiaries is not included.
7. Basic Compensation for directors includes lump-sum compensation paid as extraordinary compensation for the work of outside directors.

(3) Matters Regarding Performance-linked Compensation

"Business performance indicator content," "calculation method," "reason to select" and "results concerning business performance indicators" selected as the basis for calculating the amount and frequency of performance-linked compensation.

Based on the Company's compensation policy, we have decided to pay Executive Officers performance-linked compensation. Performance-linked compensation is determined at a total amount that will function as an incentive to increase corporate value. A certain proportion, determined according to rank, of the total amount is granted as monetary compensation receivables in order to allot Company stock. Requiring the contribution of said monetary compensation receivables to the Company as an investment in kind shall ensure that

Executive Officers hold common shares of the Company. The remaining portion of payment is paid in cash.

The minimum amount of performance-linked compensation shall be 0 yen; the actual amount of compensation paid by companies with similar performance in similar industries inside and outside Japan shall be taken into account, provided that the Company meets its targeted specified level of performance.

Indicators relevant to performance-linked compensation and the method for determining the amount are as follows.
Total amount paid = (a) short-term incentive compensation
+ (b) long-term incentive compensation

Method for determining (a)
The amount of (a) shall be calculated by multiplying each individual's rank-based monetary level by: (i) a factor in accord with the degree of achievement of the Company's previous fiscal year managerial accounting target for operating income and (ii) a rank-based factor in accord with the degree of achievement of the Company's previous fiscal year managerial accounting target for operating cash flow, augmented by ±25% according to the individual's performance evaluation. Evaluation indicators were selected from the perspective of their relevance to Company performance. These indicators were selected from among the factors that indicate the Company's achievement of numerical targets set out in the Toshiba Next Plan, the achievement of a profit level equal to or above other companies in the same industry, and the factors that indicate the business progress of the Company. Furthermore, with regard to Executive Officers in charge of individual business divisions, amounts are determined by combining the halves of each of the amount calculated using company-wide indicators and the amount calculated using indicators specific to the business division under their supervision. Amounts for other Executive Officers are calculated using company-wide indicators.

Method for determining (b)
The amount of (b) shall be calculated by multiplying each individual's rank-based monetary level by a rank-based factor according to the result of 3-year relative total shareholder returns. The method for calculating 3-year relative total shareholder returns shall be as follows.
3-year relative total shareholder returns = the Company's 3-year TSR − 3-year market capitalization-weighted average TSR of the peer group
The peer group shall be seven companies inside or outside Japan chosen (with due regard to shareholders' perspective) from among companies whose business portfolios are similar to Toshiba's business portfolio or companies in the electric devices industry, listed on the first section of the TSE, with average market cap of 1 billion yen or more. Evaluation indicators were selected from the perspective of their contribution to the improvement of medium- to long-term corporate value and to improving shareholder value. Since the calculation period is three years, the performance-linked compensation scheme applies from FY2019, with payments beginning in FY2022.

The rank-based proportions of stock and cash payments in the performance-linked compensation scheme are as follows. Due to rounding, figures may not add up to 100.

Rank	Proportion (%) of stock	Proportion (%) of cash
Chairman/President	60	40
Corporate Senior Executive Vice President	60	40
Corporate Executive Vice President	60	40
Corporate Senior Vice President	60	40
Corporate Vice President	60	40

Since the ratio of performance-linked compensation and compensation other than performance-linked compensation is not predetermined and fluctuates according to performance results in the above calculation methods, no policy has been stipulated for its determination.

During the recent fiscal years, targets of indicators relevant to performance-linked compensation are as follows.

- Indicators related to the previous fiscal year's operating profit (Group-wide, business division in charge)
  Target recorded on Company's managerial accounting
- Indicators relating to the previous fiscal year's cash flows from operating activities (Group-wide, business division in charge)
  Target recorded on Company's managerial accounting
- There is no target for individual assessments, and TSR results for three years

During the recent fiscal years, results of indicators relevant to performance-linked compensation are as follows.

- Indicators related to the previous fiscal year's operating profit (Group-wide, business division in charge)
  Actual result (projection) recorded on Company's managerial accounting
- Indicators relating to the previous fiscal year's cash flows from operating activities (Group-wide, business division in charge)
  Result (projection) recorded on Company's managerial accounting.
- The Compensation Committee makes its determination based on comprehensive consideration of non-financial assessments such as individual assessments, initiatives for management, and special contributions.
- TSR results for three years
  Comparative assessments of the Company's TSR results, and TSR results for three years for the group of companies subject to comparison

(4) Details of Non-monetary Compensation

The Company grants its Executive Officers stock-based compensation as basic compensation and stock-based compensation as performance-linked compensation intended to effectively provide them with the incentive for improvement of the Company's medium- to long-term performance, as well as to further enhance value sharing with our shareholders. Some Directors of the Company (Chairman, Director and Outside Directors) are granted stock-based compensation as basic compensation.

Stock granted to Company officers as payment for the execution of duties during the fiscal year under review is detailed in (6) Stock Granted to Company Officers as Compensation for Execution of Duties During the Fiscal Year Under Review, of section 5. Shares and Stock Acquisition Rights of the Company.

11. The Company’s Accounting Auditor

(1) Name of the Company’s accounting auditor

PricewaterhouseCoopers Aarata LLC

(2) Amounts of accounting auditor fees

Item	Amount (Millions of yen)
Amount of fees for the fiscal year under review	890
Total amount of money and other financial benefits to be paid to accounting auditors by the Company and its consolidated subsidiaries	1,826

(Notes)
1. The audit contract between the Company and its accounting auditors does not distinguish between an audit fee as defined by the Companies Act and an audit fee as defined by the Financial Instruments and Exchange Act. Therefore, the total amount of these two fee categories is presented above.
2. The Company has paid compensation to PricewaterhouseCoopers Aarata LLC in consideration of advisory services related to internal controls overstrategic reorgnaization, which are services other than the services provided for in Article 2, Paragraph 1 of the Certified Public Accountants Act.
3. The Audit Committee interviewed the responsible division about the breakdown, man hours, and other details of 890 million yen paid to PricewaterhouseCoopers Aarata LLC as the fees for the fiscal year under review. As a result, the Audit Committee has furnished its consent with respect to such fees, having acknowledged such fees were incurred in connection with works necessary for the audit.

(3) Matters regarding audits of subsidiaries

Of the Main Group Companies, Toshiba America, Inc., Toshiba Europe Co., Ltd., Toshiba China Ltd., and Toshiba Asia Pacific Pte., Ltd. all underwent audits performed by accounting auditors other than PricewaterhouseCoopers Aarata LLC.

(4) Policy of the dismissal or non-reappointment of accounting auditors

i. The Audit Committee will, if it considers that any accounting auditor comes under any of the items of Article 340, paragraph (1) of the Companies Act, dismiss such accounting auditor with the agreement of all Audit Committee members.

ii. The Audit Committee will, if it considers that any accounting auditor comes under any of the following items, determine the contents of a proposal to be submitted to the General Meeting of Shareholders regarding the appointment of a new accounting auditor and the dismissal and non-reappointment of such accounting auditor:

   a. If the accounting auditor received an administrative punishment for violation of any law or regulation;
   b. If the accounting auditor was punished, etc. in accordance with the regulations of the Japanese Institute of Certified Public Accountants;
   c. If the Company receives from the accounting auditor a notice to the effect that the auditor does not continue the audit engagement with the Company; or
   d. If the Company intends to make the audit service more proper or more efficient.

12. System for Ensuring the Appropriate Performance of the Company's Business (Internal Control System), etc.

(1) Systems to Ensure the Appropriateness of Business Operations of Toshiba Corp. and its Subsidiaries

The Board of Directors resolved systems to ensure the appropriateness of business operations as follows:

i. System to ensure that Executive Officers' compliance with laws and regulations and the Articles of Incorporation.

a. Executive Officers periodically report to the Board of Directors of Toshiba Corp. on their execution of their duties and are required to report on necessary items to the Board of Directors, as necessary.
b. The Executive Officer who serves as the General Executive of the Internal Audit Division or the head of the Internal Audit Division periodically reports to the Board of Directors of Toshiba Corp. on internal audit results.
c. The Audit Committee of Toshiba Corp. periodically interviews Executive Officers, and the head of the Internal Audit Division periodically reports to the Audit Committee on internal audit results.
d. Executive Officers report to the Audit Committee of Toshiba Corp. on any material violation of laws and regulations without delay in accordance with the Rules concerning Reporting to the Audit Committee.
e. Toshiba Corp. has established the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers (hereinafter officers include Corporate Officers) and employees and ensures, through continuous execution of officer education, etc., that Executive Officers of Toshiba Corp. comply with the Toshiba Group Standards of Conduct.
f. Toshiba Corp. separates supervision from business execution by placing the Internal Audit Division under the direct control of the Audit Committee and establishes a system in which the Internal Audit Division effectively performs audits of accounting, compliance inspections and audits of other matters.

ii. System for retention and management of information concerning Executive Officers' execution of their duties.

a. In accordance with the Rules concerning the Document Retention Period, Executive Officers of Toshiba Corp. appropriately retain and manage material documentation, such as information materials for the Management Meetings and decision-making documents, and other documents such as account books and records.
b. Executive Officers of Toshiba Corp. run a system that allows Directors to access significant information, such as information materials for the Management Meetings, decision-making documents, financial statements and records and business reports.

iii. Rules and other systems concerning risk of loss management

a. In accordance with the Basic Rules concerning Risk Management-Compliance, the Chief Risk & Compliance Officer (hereinafter referred to as the "CRO") of Toshiba Corp. formulates and promotes measures concerning risk management of Toshiba Group in his/her capacity as the chairman of the Risk-Compliance Committee. In formulating and promoting such measures, the CRO appropriately performs risk of loss management for the entire Toshiba Group by confirming and improving the effectiveness of such measures. The Executive Officer in charge of the Legal Affairs Division holds the position of CRO.

b. Executive Officers of Toshiba Corp. formulate and promote measures necessary for continuously clarifying business risk factors of Toshiba Group and minimizing loss in the event that risk is realized in accordance with Basic Rules of Business Risk Management.

iv. System to ensure that Executive Officers efficiently execute their duties

a. The Board of Directors of Toshiba Corp. determines the basic management policy and approves the mid-term business plan and annual budgets of Toshiba Group prepared by the Executive Officers.
b. The Board of Directors of Toshiba Corp. delegates authority and responsibilities to each Executive Officer in an appropriate manner, and Executive Officers clarify the authority and responsibilities of the Executive Officers, Corporate Officers and employees in accordance with the Rules concerning Responsibilities of Division and the Rules concerning Managerial Duties.
c. Executive Officers of Toshiba Corp. set concrete targets and roles for organizations, Corporate Officers and employees.
d. Executive Officers of Toshiba Corp. make decisions on business operations based on appropriate procedures in accordance with the Board of Directors Rules, the Corporate Decision-Making Rule, and other rules.
e. Executive Officers of Toshiba Corp. appropriately evaluate the performance of Toshiba Group by means of the Performance Evaluation Committee.
f. Executive Officers of Toshiba Corp. promote strengthening of information security systems and operate the accounting system, the authorization system and other information processing systems in an appropriate manner.

v. System to ensure that employees' performance of their duties conforms to laws and regulations and the Articles of Incorporation

a. The Representative Executive Officer, President and CEO of Toshiba Corp. ensure, through continuous execution of employee education, etc., that employees comply with the Toshiba Group Standards of Conduct clarifying values and codes of conduct to be shared by all officers and employees.
b. The CRO of Toshiba Corp. formulates and promotes measures of Toshiba Group concerning compliance with laws and regulations in his/her capacity as the chairman of the Risk-Compliance Committee in accordance with the Basic Rules concerning Risk Management-Compliance.
c. Toshiba Corp. establishes a whistle-blower system in which the officers and employees of Toshiba Corp. are able to make a report to the business execution side of Toshiba Corp. if they become aware of an illegal act of Toshiba Corp., and the Executive Officer of Toshiba Corp. in charge endeavors to detect problems early and deal with them in an appropriate manner by making use of the whistle-blower system. The Toshiba Group Standards of Conduct clearly stipulate that the officers and employees who have used this system must not be treated disadvantageously on the grounds that they have done so. In addition, Toshiba Corp. establishes a whistle-blower system in which the Audit Committee of Toshiba Corp. directly receives internal reports and endeavors to collect information on problems early.

vi. System to ensure the appropriateness of business operations of the corporate group composed of Toshiba Corp. and its subsidiaries

a. The subsidiaries adopt and implement the Toshiba Group Standards of Conduct and establish whistle-blower systems according to the legal systems and circumstances of the countries in which they operate.

b. Toshiba Corp. establishes a system in which its subsidiaries report to Toshiba Corp. in accordance with the Operational Communication Arrangement, etc. in the event that material issues arise in their business operations.
c. Toshiba Corp. formulates appropriate measures for internal control, including that of its subsidiaries, and causes its subsidiaries to promote the measures according to their situations.
d. The subsidiaries establish audit systems such as auditors in accordance with the Toshiba Group Auditors' Audit Policy.
e. Toshiba Corp. executes internal audits on the accounting treatment processes and business processes of its subsidiaries.
f. Toshiba Corp. appropriately and effectively manages the systems and business processes common throughout Toshiba Group and establishes a system in which shared resources are appropriately and effectively allocated.
g. Under the relevant license agreements, Toshiba Corp. in principle obligates its affiliates that are permitted to use "Toshiba" in part of their company names to adopt the Toshiba Group Standards of Conduct.

(2) Items Necessary for Performance of Duties by the Audit Committee of Toshiba Corp.

The Board of Directors resolved items necessary for the Audit Committee's performance of its duties as follows:

i. Directors and employees assigned to assist the Audit Committee in the performance of its duties

a. In order to assist the Audit Committee of Toshiba Corp. in the performance of its duties, the Audit Committee Office consisting of around ten staff is established, and the head of the Audit Committee Office is an Executive Officer (including an Executive Officer who concurrently holds office as a Director).

ii. Ensuring independence of employees mentioned in the preceding paragraph from Executive Officers and effectiveness of instructions to such employees

a. The Audit Committee has the right to approve the appointment, request the dismissal, and veto the dismissal of the head and employees of the Audit Committee Office of Toshiba Corp., and the head of the Audit Committee Office is under the direction of the Audit Committee. The employees of the Audit Committee Office are under the direction of the Audit Committee and the head of the Audit Committee Office.

iii. System for reporting to the Audit Committee

a. Directors, Executive Officers, Corporate Officers and employees of Toshiba Corp. report to the Audit Committee on each relevant occasion in accordance with the Rules concerning Reporting to the Audit Committee and the Rules concerning Operation of the System of Reporting to the Audit Committee in the event that any material issue arises that may affect operations and financial performance.
b. The subsidiaries of Toshiba Corp. periodically report their situations and other matters to the Audit Committee of Toshiba Corp. through the Toshiba Group Auditors Liaison Organization, etc. In addition, Toshiba Corp. maintains a system through which the auditors and employees in charge of audit reporting of the subsidiaries are able to make a report to the Audit Committee if they become aware of an illegal act of such subsidiaries.
c. Toshiba Corp. establishes a whistle-blower system through which the officers and employees of Toshiba Corp. and officers and employees of its domestic subsidiaries

are able to make a report to the Audit Committee of Toshiba Corp. in accordance with the Rules concerning Operation of the System of Reporting to the Audit Committee if they become aware of an illegal act of Toshiba Corp. or such subsidiaries.

d. The Representative Executive Officer, President and CEO provides members of the Audit Committee designated by the Audit Committee with opportunities to attend important meetings, including the Management Committee meetings.

iv. System to ensure that persons reporting to the Audit Committee are not treated disadvantageously on the grounds that they have made such report

a. The Rules concerning Reporting to the Audit Committee and the Rules concerning Operation of the System of Reporting to the Audit Committee clearly stipulate that the officers and employees of Toshiba Group who have made a report to the Audit Committee of Toshiba Corp. must not be treated disadvantageously on the grounds that they have done so.

v. Policy on procedures for advance payment or redemption of expenses arising from performance of duties of the Audit Committee's members and other settlement of expenses or debts arising from performance of such duties

a. If a member of the Audit Committee requests Toshiba Corp. to make advance payment of the expenses, etc. set out in Article 404, paragraph (4) of the Companies Act in relation to the performance of his or her duties, unless it is determined after examination by the relevant departments that the expenses or debts in relation to such request are not necessary for the performance of duties of such member of the Audit Committee, Toshiba Corp. promptly settles such expenses or debts. Toshiba Corp. annually budgets a certain amount for the payment of expenses and other costs arising from the performance of duties of the Audit Committee's members. If the need arises during the fiscal year, Toshiba Corp. increases the budget after examination by the relevant departments at the request of the Audit Committee's members.

vi. Other system to ensure that audits by the Audit Committee are conducted effectively

a. The Representative Executive Officer, President and CEO periodically exchanges information with the Audit Committee.
b. Executive Officers, Corporate Officers and employees report the execution of their duties to the Audit Committee by means of the periodic interviews conducted by the Audit Committee and circuit interviews.
c. The Audit Committee places the Internal Audit Division under its direct control. The Audit Committee presents audit policies and gives audit instructions to the Internal Audit Division. The head of the Internal Audit Division periodically reports the internal audit results to the Audit Committee.
d. The Audit Committee has accounting auditors provide explanations and reports concerning the accounting audit plan at the beginning of each fiscal year, the situation of accounting audits during each fiscal year, and the results of the accounting audits at the end of each fiscal year.
e. The Executive Officer in charge (CFO) provides explanations to the Audit Committee concerning the settlement of accounts at the end of each fiscal year as well as each quarterly settlement of accounts prior to the approval by the Board of Directors.
f. The head of the Internal Audit Division is an Executive Officer, or otherwise an Executive Officer serves as the General Executive of the Internal Audit Division. The Audit Committee has the right to approve the appointment, request the dismissal, and veto the dismissal of the head of the Internal Audit Division and the Executive Officer who serves as the General Executive of the Internal Audit Division. The head of the

Internal Audit Division and the Executive Officer who serves as the General Executive of the Internal Audit Division is under the direction of the Audit Committee.

g. The members of the Audit Committee have the right to access all internal reports made to the whistle-blower system on the business execution side.

(3) State of Operation of the Systems to Ensure the Appropriateness of Business Operations for itself and its Subsidiaries

The state of operation, other than as noted in "9. Names, Responsibilities, etc. of the Company's Directors / Officers, (4) State of activities of the Board of Directors and committees" is as follows.

i. State of holding of the Risk-Compliance Committee meetings

The Company's Risk-Compliance Committee had met twice a year to promote the Group's risk management and compliance related measures, and the Accounting Compliance Committee had met six times a year to promote reliability and internal control over financial reporting. In October 2021, however, the Company decided to integrate the Accounting Compliance Committee into the Risk-Compliance Committee and have it meet five times a year. The new Risk-Compliance Committee will centrally manage financial reporting and other risks, thereby further strengthening risk management and compliance. In addition, as part of efforts to further strengthen compliance, the Compliance Advisory Meeting was held three times in total. For more information, please refer to "1. Business Environment and Results of the Group, (2) Management Policies of the Toshiba Group Moving Forward (Issues to be Addressed)　Improvement of Internal Controls Process."

ii. State of development of the whistleblowing system

The Company has put in place, as an executive structure, the Toshiba Consultation Hotline (each whistleblower chooses from the external specialist organization as a contact point or the law office as a contact point), operating its whistleblowing system. Moreover, in October 2015 the Company established, as an auditor structure, the Audit Committee Hotline whose whistleblowing contact point is the Audit Committee Office. To promote use of the whistleblowing system, we used e-learning, etc., to deepen awareness among all employees of the existence of this system and the strict anonymity of whistleblowers. Whistleblowing reports for FY2021, including those related to accounting treatment, totaled 148, and they were reported to the Audit Committee and the Board of Directors. Accounting-related whistleblowing cases were immediately reported to accounting auditors as well without disclosing the whistleblower's personal information. We investigated all cases of whistleblowing before addressing any case needing to be dealt with. Additionally, in April 2019, we outsourced the contact point for the Toshiba Consultation Hotline to an external specialist organization with consideration for whistleblowers.

The Toshiba Consultation Hotline is a whistleblowing system that is compliant with public certification standards and was registered as such on April 23, 2021 by the Japan Institute of Business Law, a designated registration body. Overseas, the Company has established the Toshiba Group Overseas Hotline to receive reports from officers and employees of Group companies in each region, using the operating company of each region as a contact point. The system was rolled out globally in January 2022. In FY2021, there were 41 reports to contact points at operating companies in addition to the 148 reports mentioned above. All reports were investigated and responses were conducted where necessary.

iii. State of implementation of compliance-related training for officers and employees

Compliance awareness-raising training was held for senior executives of Group companies in Japan, and a 360-degree review was conducted for senior executives of the nine main companies to promote behavior change and improvement to the organization culture. We held training on strengthening business risk management, accounting knowledge, and accounting compliance in our training for new vice presidents and general managers of branch offices in Japan, and also incorporated accounting knowledge and accounting compliance training into our training for developing and selecting executives and milestone training on promotion. We also implemented accounting compliance education through the e-learning for employees of Group companies in Japan and overseas.

iv. State of implementation of internal audit

The Internal Audit Division formulated its annual audit policy and annual audit plan pursuant to the Audit Committee's audit policy. In FY2021, the division conducted internal audits at five corporate staff divisions and 24 subsidiaries and affiliates according to the above-mentioned audit plan. The findings of such internal audits were reported to the Audit Committee by the head of the Internal Audit Division in a timely manner.

. State of Audit Committee members' activities and assistance for them

The Audit Committee members monitored and reviewed the state of duty execution by Directors and Executive Officers by attending significant meetings, such as Board of Directors meetings and corporate management meetings, and making inquiries to Executive Officers on 25 occasions in total and to the heads of internal control and internal audit business units on 31 occasions. Moreover, the Audit Committee members received explanations and reports from accounting auditors on audit plans and the state of implementation of audits and their findings. During the course of audit activities, they actively demanded reporting through the Audit Committee Office and the Internal Audit Division that was put under its direct control. The Audit Committee Hotline whose whistleblowing contact point is the Audit Committee Office, received whistleblowing reports totaling 34 before taking action to deal with them.

13. Basic Policy on the Control of the Company and Takeover Defense Measure

13.Our Basic Control Policy

(1)Content of the fundamental policy

We are of the view that, in order for the Toshiba Group to earn an appropriate level of profits to be returned to shareholders and continuously improve its enterprise value and shared benefit of shareholders, the Group must solidify and develop an adequate relationship with stakeholders such as customers, business partners, employees and local communities, etc., not to mention shareholders, and run the organization in ways that pay sufficient attention to the benefit of such stakeholders.

If a party offers to acquire shares in the Group and in order to properly judge the effect the acquisition will potentially have on its enterprise value and shareholders' shared benefit, it is necessary to fully grasp: 1) a synergy effect that will likely be achieved through an organic integration of individual business segments; 2) the actual conditions of the Group; and 3) components of the Group's enterprise value.

In light of the above-mentioned elements, Toshiba's Board of Directors believe that: 1) any such party acquiring, or offering to acquire, a large number of shares in the Company as does not contribute to securing and improving its enterprise value and shareholders' shared benefit is not suitable to be an entity governing the determination of the organization's financial and operational policy; and 2) against such entity's act to acquire a large number of shares in the Company, we must take the necessary and reasonable action, thereby securing enterprise value and shareholders' shared benefit.

Based on the above-mentioned thinking, Toshiba introduced countermeasures against large-scale acquisitions of shares of the Company (so-called "Takeover Defense Measures") in June 2006 before renewing them in June 2009 and June 2012. However, we have stop renewing these countermeasures since June 2015 after carefully considering the renewal in light of: 1) the changing operating environment; 2) the state of progress of the development of the Financial Instruments and Exchange Act; and 3) the opinions of shareholders.

(2)Special Initiatives to Contribute to the Realization of Basic Policies

We recognize that it is the utmost responsibility for the Board of Directors to act in the best interests of the Company and our shareholders.

In April 2022, the Board of Directors resolved to establish Special Committee, in order to engage with potential investors and sponsors and review strategic alternatives. All members of the Special Committee are composed by the independent outside directors of the Company.

Discussions with potential investors and sponsors are led by the management team and have started. The Special Committee along with management, will engage in the negotiation process by confirming the potential structures in advance, receiving timely reports on the negotiation status, providing opinions at important junctures. The Special Committee shall also conduct an analysis on a thorough process to compare offers and structures, identify the privatization or other alternative offer that is best for our diverse stakeholders including shareholders, and provide the current relevant information prior to the AGM, based upon the status at that point in time.

14. The Group's Employees

As of March 31, 2022

Segment	Number of Employees
Energy Systems & Solutions	14,410
Infrastructure Systems & Solutions	19,876
Building Solutions	22,423
Retail & Printing Solutions	18,799
Electronic Devices & Storage Solutions	22,421
Digital Solutions	8,239
Others	7,003
Group-wide (shared)	3,053
Total	116,224

(Notes)
1. The number of employees of the Company (non-consolidated) is 3,673.
2. The number of employees includes retirees as of March 31, 2022.

15. Main Places of Business and Facilities of the Group As of March 31, 2022

(1) The Company

Segment	Major Distribution	
Company-wide	Offices	Principal Offices (Minato-ku, Tokyo and Kawasaki), Hokkaido Branch Office (Sapporo), Tohoku Branch Office (Sendai), Kanshinetsu Branch Office (Saitama), Kanagawa Branch Office (Yokohama), Hokuriku Branch Office (Toyama), Chubu Branch Office (Nagoya), Kansai Branch Office (Osaka), Chugoku Branch Office (Hiroshima), Shikoku Branch Office (Takamatsu), Kyushu Branch Office (Fukuoka)
	Laboratories, etc.	Fuchu Complex (Fuchu, Tokyo), Corporate Research & Development Center (Kawasaki), Corporate Software Engineering & Technology Center (Kawasaki), Komukai Complex (Kawasaki), Corporate Manufacturing Engineering Center (Yokohama), Yokohama Complex (Yokohama)
Other	Production Facilities	Kashiwazaki Plant (Kashiwazaki, Niigata), Himeji Operations (Himeji, Hyogo)

(Note)
Fukaya Complex was shut down at the end of September 2021.

(2) The Group Companies

The names and locations of the main companies in the Group are noted in “4. Outline of Main Group Companies.”

Consolidated Balance Sheet

Consolidated Statement of Operations

Consolidated Statement of Equity

Notes to Consolidated Financial Statements

For the fiscal year ended March 31, 2022

The 183th term

Toshiba Corporation

Consolidated Balance Sheet

As of March 31, 2022

Assets	(Millions of yen)
Current assets	2,266,041
Cash and cash equivalents	421,219
Notes, accounts receivable and contract assets	859,186
Notes receivable	47,061
Accounts receivable and contract assets	828,166
Allowance for doubtful notes, accounts receivable and contract assets	(16,041)
Inventories	531,788
Other receivables	61,398
Prepaid expenses and other current assets	392,450
Long-term receivables and investments	563,607
Long-term receivables	5,161
Investments in and advances to affiliates	475,952
Marketable securities and other investments	82,494
Property, plant and equipment	460,326
Land	34,681
Buildings	643,425
Machinery and equipment	1,227,712
Construction in progress	36,456
Accumulated depreciation	(1,481,948)
Operating lease right-of-use assets	105,027
Other assets	339,518
Goodwill and other intangible assets	158,360
Deferred tax assets	86,146
Other assets	95,012
Total assets	3,734,519

Consolidated Balance Sheet (Continued)

As of March 31, 2022

Liabilities	(Millions of yen)
Current liabilities	1,509,867
Short-term borrowings	11,209
Current portion of long-term debt	64,471
Notes and accounts payable	482,266
Other payables and accrued expenses	274,965
Current operating lease liabilities	36,515
Accrued income and other taxes	38,983
Advance payments received	348,069
Other current liabilities	253,389
Long-term liabilities	857,988
Long-term debt	317,659
Accrued pension and severance costs	277,057
Non-current operating lease liabilities	72,568
Deferred tax liabilities	65,603
Other liabilities	125,101
Total liabilities	2,367,855
Equity	
Equity attributable to shareholders of the Company	1,206,634
Common stock	200,869
Authorized: 1,000,000,000 shares	
Issued: 433,137,955 shares	
Additional paid-in capital	-
Retained earnings	1,118,039
Accumulated other comprehensive loss	(110,011)
Treasury stock, at cost	(2,263)
489,871 shares	
Equity attributable to non-controlling interests	160,030
Total equity	1,366,664
Total liabilities and equity	3,734,519

Consolidated Statement of Operations

For the fiscal year ended March 31, 2022

	(Millions of yen)
Sales and other income	3,448,377
Net sales	3,336,967
Interest and dividend income	2,885
Equity in earnings of affiliates	57,523
Other income	51,002
Costs and expenses	3,209,272
Cost of sales	2,449,757
Selling, general and administrative expenses	728,265
Interest expenses	4,366
Other expenses	26,884
Income before income taxes and non-controlling interests	239,105
Income taxes:	24,845
Current	31,652
Deferred	(6,807)
Net income before non-controlling interests	214,260
Less: Net income attributable to non-controlling interests	19,609
Net income attributable to shareholders of the Company	194,651

Consolidated Statement of Equity

For the fiscal year ended March 31, 2022

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings (accumulated deficit)	Accumulated other comprehensive loss	Treasury stock	Equity attributable to shareholders of the Company	Equity attributable to noncontrolling interests	Total equity
Balance at March 31, 2021	200,558	207	1,127,130	(158,307)	(5,054)	1,164,534	139,996	1,304,530
Transfer to retained earnings (accumulated deficit) from additional paid-in capital		1,867	(1,867)					
Change in ownership for noncontrolling interests and others	311	(2,074)				(1,763)	(1,276)	(3,039)
Dividends attributable to shareholders of the Company			(98,992)			(98,992)		(98,992)
Dividends attributable to noncontrolling interests							(9,609)	(9,609)
Comprehensive income (loss)								
Net income			194,651			194,651	19,609	214,260
Other comprehensive income (loss), net of tax:								
Net unrealized gains and losses on securities				(231)		(231)		(231)
Foreign currency translation adjustments				31,711		31,711	9,226	40,937
Pension liability adjustments				18,524		18,524	2,085	20,609
Net unrealized gains and losses on derivative instruments				(1,708)		(1,708)	(1)	(1,709)
Total comprehensive income (loss)						242,947	30,919	273,866
Purchase, disposal and retirement of treasury stock, net, at cost			(102,883)		2,791	(100,092)		(100,092)
Balance at March 31, 2022	200,869	-	1,118,039	(110,011)	(2,263)	1,206,634	160,030	1,366,664

(For reference) Consolidated Statement of Cash Flows

For the fiscal year ended March 31, 2022

	(Millions of yen)
Cash flows from operating activities	249,244
Cash flows from investing activities	(124,521)
(Free cash flow)	124,723
Cash flows from financing activities	(216,832)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	9,551
Net decrease in cash, cash equivalents and restricted cash	(82,558)
Cash, cash equivalents and restricted cash at the beginning of the fiscal year	525,456
Cash, cash equivalents and restricted cash at the end of the fiscal year	442,898

The Consolidated Statement of Cash Flows information included in the table has not been included in the Japanese original consolidated financial statements audited by the Company's independent auditors.

1. Notes to Significant Matters Supporting the Basis of Preparation of Consolidated Financial Statements

(Significant Accounting Policies)

1) Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements of the Company are prepared in conformity with the terms, forms and preparation methods of the accounting principles generally accepted in the United States of America (hereinafter, the "US GAAP") pursuant to the provisions of Article 120-3, Paragraph 1 of the Ordinance on Accounting of Companies. However, pursuant to the provision of the Ordinance's Article 120, in the second sentence of Paragraph 1 which is applied mutatis mutandis to Article 120-3, Paragraph 3, the Company partially omits presentation and notes required by US GAAP.

2) Inventories

Raw materials, finished products and work in process for products are stated at the lower of cost or net realizable value, cost being determined primarily by the average cost method. Finished products and work in process for contract items are stated at the lower of cost or estimated realizable value, cost being determined by accumulated production costs.

3) Marketable Securities and Other Investments

Marketable securities contain both debt securities and equity securities. The Group ("The Group" represents Toshiba Corporation and its consolidated subsidiaries) classifies debt securities as available-for-sale which are measured at fair value, with unrealized gains and losses included in accumulated other comprehensive income (loss), net of tax. Equity securities are measured at fair value, with changes recorded as net income (loss). The Group elects to measure an equity security that does not have a readily determinable fair value under the cost method minus impairment, if any, and recognizes positive or negative changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Realized gains or losses on the sale of securities are based on the average cost of a particular security held at the time of sale.

Other investments without quoted market prices are stated at cost.

Decreases in the fair value of equity securities measured at cost are evaluated qualitatively for indicators of impairment. Any resulting impairments are recorded as a loss for the estimated decline in fair value. In addition, debt securities and other investments are regularly reviewed for other-than-temporary impairments in the carrying amount based on criteria that include the length of time and the extent to which the market value has been less than cost, the financial condition and near-term prospects of the issuer and the Group's intent and ability to retain marketable securities and investment securities for a period of time sufficient to allow for any anticipated recovery in market value. When such a decline exists, the Group recognizes an impairment loss to the extent of such decline.

4) Method of Depreciation for Property, Plant and Equipment

Depreciation for property, plant and equipment is computed primarily by the straight-line method.

5) Impairment of Long-Lived Assets

Long-lived assets, other than goodwill and intangible assets with indefinite useful lives, are evaluated for impairment using an estimate of undiscounted cash flows whenever events or changes in circumstances indicate that the carrying amount of such asset may not be recoverable. If the estimate of undiscounted cash flow is less than the carrying amount of the asset, an impairment loss is recorded based on the fair value of the asset. Fair value is determined by using the anticipated cash flows discounted at a rate commensurate with the risk involved. For assets held for sale, an impairment loss is further increased by costs to sell. Long-lived assets to be disposed of other than by means of sale, are considered to be held and used until disposed of.

6) Goodwill and Other Intangible Assets

Goodwill and intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment at least annually. Intangible assets with finite useful lives, consisting primarily of core and current technology and software, are amortized using the straight-line method over their respective contractual periods or estimated useful lives.

7) Allowance for Doubtful Notes and Accounts Receivable

An allowance for doubtful notes and accounts receivables is recorded based on a combination of the write-off history, aging analysis and an evaluation of any specific known troubled accounts. When all collection efforts are exhausted including legal recourse, the accounts or portions thereof are deemed to be uncollectible are charged against the allowance.

8) Accrued Pension and Severance Costs

The Group has various retirement benefit plans covering substantially all employees. Prior service costs resulting from amendments to the plans are amortized over the average remaining service period of the employees that are expected to receive the benefits. Unrecognized actuarial gains and losses that exceed 10 percent of the greater of the projected benefit obligation or the fair value of plan assets are also amortized over the average remaining service period of the employees expected to receive the benefits.

2. Notes to Accounting Estimates

The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The Group has identified significant areas where it believes assumptions and estimates are particularly critical to the consolidated financial statements. These are the determination of impairment of long-lived tangible and intangible assets and securities, goodwill, recoverability of receivables, realization of deferred tax assets, uncertain tax positions, pension accounting measurement, revenue recognition and other valuation allowances and reserves including contingencies for litigations. Actual results could differ from those estimates.

3. Notes to Revenue Recognition

The Group adopted ASC No. 606 “Revenue from Contracts with Customers” for recognizing revenue.

The key goods and services of the Group include mass-produced standard products (e.g., semiconductors, multi-function peripherals, and POS systems), made-to-order products under a construction-type or production-type contract with specifications unique to a customer (e.g., nuclear power generation systems, thermal power generation systems, public infrastructure, and train, industrial systems) and services, such as maintenance services.

The Group recognizes revenue when (or as) the promised goods or services are transferred to customers, which occurs when (or as) the customers obtain control of the promised goods or services.

The revenue is calculated by deducting expected rebates from the promised consideration under the agreement with a customer.

The group has 7 business segments, (1) Energy Systems & Solutions, (2) Infrastructure Systems & Solutions, (3) Building Solutions, (4) Retail & Printing Solutions, (5) Electronic Devices & Storage Solutions, (6) Digital Solutions and (7) Others, identified in accordance with the similarities of the nature of the products, the production processes and markets, etc.

Net sales by goods or services for the fiscal year ended March 31, 2022 are as follows;

	Millions of yen
The fiscal year ended March 31	2022
Energy Systems & Solutions	
Nuclear Power Systems	146,582
Thermal & Hydro Power Systems	235,582
Transmission & Distribution Systems	181,762
Others (Note)	(4,880)
Total	559,046
Infrastructure Systems & Solutions	
Public Infrastructure	403,342
Railways and Industrial Systems	309,052
Others (Note)	(57,738)
Total	654,656
Building Solution	
Building and Facilities	602,104
Others (Note)	(3,123)
Total	598,981
Retail & Printing Solutions	
POS systems, Multi-function peripherals, etc.	453,245
Electronic Devices & Storage Solutions	
Semiconductor	364,048
HDDs & Others	495,788
Total	859,836
Digital Solutions	
Digital Solutions, etc.	230,553
Others	216,462
Eliminations	(235,812)
Consolidated	3,336,967

Note: Eliminations related to internal sales are included.

The Group principally recognizes unbilled amounts due from customers related to made-to-order products under a construction-type or production-type contract with specifications unique to a customer as contract assets that are included in "Notes, accounts receivable and contract assets" and "Long-term receivables" in the consolidated balance sheets. The contract assets as of March 31, 2022 are ¥248,494 million.

The Group also recognizes the amount of consideration received from customers before control of goods or services transfers to customers as contract liabilities that are included in "Advance payments received" and "Other current liabilities" in the consolidated balance sheets. The contract liabilities as of March 31, 2022 are ¥366,582 million.

The total amount of the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as of March 31, 2022 is ¥2,101,330 million, and approximately 40% of which is expected to be recognized as revenue within one year.

4. Notes to Consolidated Balance Sheet

1) Liabilities on guarantee 3,437 million yen

2) Important disputes

In February 2015, the Company received an order from the Securities and Exchange Surveillance Commission, based on Article 26 of the Financial Instruments and Exchange Act, requiring submission of a report. The Company was then subject to inspection regarding projects that used percentage-of-completion accounting. Later, after establishing the Independent Investigation Committee and conducting the investigation, it was found that the Company had continuously carried out inappropriate accounting and, therefore, the Company filed amendments of the past Annual Securities Reports and other reports. Holders of American Depositary Receipts filed a class action lawsuit against the Company in the State of California, in the US in relation to the inappropriate financial reporting by the Company. The Company filed a petition with the court for rejection of the lawsuit on the grounds that securities laws of the US do not apply to the above-mentioned securities, among other reasons, and the decision to reject the lawsuit was made as of May 20, 2016 (US time). The plaintiffs lodged an appeal against the judgement on July 25, 2016 (US time), and the appellate instance reversed the judgement of the district court on July 17, 2018 (US time) and issued a judgement to remand the case to the district court to enable the plaintiffs to submit a revised complaint. However, the Company filed an appeal against the judgement with the US Supreme Court on October 15, 2018 (US time). But the request was rejected on June 24, 2019 and returned to the district court.

Damage compensation claims have been demanded against the Company in Japan as well with the plaintiffs claiming to have suffered damage due to inappropriate financial reporting by the Company. The Company accrued a reasonably estimated amount expected to be paid for the damage compensation. Certain of these claims have been pending with several courts including seeking payment by (1) foreign institutional investors of approximately 13,657 million yen in June 2016, 21,759 million yen in April 2017, 43,561 million yen in April 2017, 9,227 million yen in June 2017, 33,000 million yen and 837 million yen in September 2017, 410 million yen in October 2017 and 4,051 million yen in April 2018, (2) Trust & Custody Services Bank, Ltd. (currently Custody Bank of Japan, Ltd.), of approximately 14,026 million yen in March 2017.

The Group has global business operations and is involved from time to time in disputes, including lawsuits and other legal proceedings and investigations by relevant authorities. Due to differences in judicial systems and the uncertainties inherent in such proceedings, the Group may be subject to a ruling requiring payment of amounts far exceeding its expectations. Any judgment or decision unfavorable to the Group could have a materially adverse effect on the Group’s business, results of operations or financial condition. However, based on the information currently available to the Group, Management believes that such legal procedures would not have a material adverse effect on the financial position or the results of operations of the Group.

5. Notes to Consolidated Statement of Equity

Purchase and retirement of treasury stock

The Company resolved, at its Board of Directors Meeting held on June 7, 2021, matters related to the purchase of treasury stock of the Company up to 100 billion yen (acquired 99,999 million yen of treasury stock, pursuant to such resolution, in the fiscal year ended March 31, 2022). The share purchase program completed on September 9, 2021.

In addition, the Company retired the acquired shares of treasury stock on September 30, 2021, (retired 102,883 million yen in the fiscal year ended March 31, 2022). With regards to the retirement of treasury stock, the acquisition cost of the treasury stock is subtracted from retained earnings.

6. Notes to Financial Instruments

1) Matters concerning financial instruments

The Company is managing funds mainly on short-term deposits. It also raises funds through borrowings from financial institutions including banks.

Investment securities are mainly stocks. For marketable securities, the Group evaluates their fair values on the basis of market prices.

The intended use of long-term borrowings is to support working capital and other capital investments.

In the normal course of its risk management efforts, the Group employs a variety of derivative financial instruments, which consist primarily of forward exchange contracts, interest rate swap agreements and currency swap agreements and currency swap agreements to reduce its exposures. The forward exchange contracts and foreign-currency-denominated debt utilized by the Group effectively reduce fluctuation in foreign exchange rate on investments in foreign subsidiaries.

The Group has policies and procedures for risk management and the approval, reporting and monitoring of derivative financial instruments. The Group's policies prohibit holding or issuing derivative financial instruments for speculative purposes and trading purposes.

2) Matters concerning market value of financial instruments

The consolidated balance sheet amounts as of March 31, 2022, fair values and their differences are as follows:

(Millions of yen)

	Consolidated balance sheet amount	Fair value	Difference
Liabilities concerning financial instruments			
Long-term debt	371,484	372,276	792

The above table excludes financial instruments whose fair values approximate their carrying amounts, those related to leasing activities, marketable securities and other investments whose fair values are equal to their carrying amounts, and derivatives.

In assessing the fair value of these financial instruments, the Group uses a variety of methods and assumptions, which are based on estimates of market conditions and risks existing at that time.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows;

Level 1 - Quoted prices for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar assets or liabilities in active markets.

Quoted prices for identical or similar instruments in markets that are not active.

Inputs other than quoted prices that are observable.

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs whose significant inputs are unobservable.

The fair value of long-term debts is estimated from the interest rate applied at the time of borrowing from each financial institution, weighted averaged by period, and the entire amount is classified within Level 3. This is classified within Level 3 because of an unobservable input due to discounted value of future cash flows.

Other financial instruments are generally classified as Level 1 or Level 2, and there is no other significant financial instruments classified as Level 3.

For certain instruments, including cash and cash equivalents, notes, accounts receivable and contract assets, short-term borrowings, notes and accounts payable and accounts other payable and accrued expenses, it is assumed that the carrying amount approximated fair value for the majority of these instruments because of their short maturities. Quoted market prices are used for a number of marketable securities and other investments. Other techniques, such as estimated discounted value of future cash flows, and replacement cost, are used to determine fair value for the remaining financial instruments. These fair values are not necessarily the amounts that could be realized in a current market exchange.

7. Net Earnings Per Share Attributable to Shareholders of the Company

Net earnings per share attributable to shareholders of the Company ("EPS") is computed based on the weighted-average number of shares of common stock outstanding during each period.

Net earnings per share attributable to shareholders of the Company: －Basic	442.05 yen
Net earnings per share attributable to shareholders of the Company: －Diluted	440.87 yen

Diluted EPS is effected by the stock option issued by KIOXIA Holdings Corporation ("KHC").

8. Significant Subsequent Events

The Group has evaluated subsequent events up to May 13, 2022 in accordance with ASC855 "Subsequent Events." However, there are no significant subsequent events to describe.

9. Shares of KHC

Company's investment for KHC is classified as investments in affiliated companies accounted for under the equity method. As of March 31, 2022, the total amount of investments for KHC is 323.0 billion yen and the Company's stake in KHC is 40.6%.

The Company pledges the shares of KCH as collateral to Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Ltd., etc. for outstanding debt obligations including borrowings owed to financial institutions by KHC.

The results of operations of KIOXIA Group and the Group's equity in earnings of affiliates for KIOXIA Group for the current fiscal year are as follows.

	(Millions of yen)
The pretax income	153,748
Net income	103,717
The Group's equity in earnings of affiliates	42,109

10. Transfer of Shares of Toshiba Carrier Corporation

Toshiba and the US-based Carrier Corporation, a subsidiary of US-based Carrier Global Corporation, signed a share purchase agreement to transfer 55% of the outstanding shares of Toshiba Carrier Corporation (TCC) held by Toshiba. The transfer will be completed by September 30, 2022, after regulatory approval and other customary closing conditions.

Along with the agreement, Toshiba 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. The assets and liabilities classified as held for sale are reported in the segment of "Building Solution".

The details of assets and liabilities classified as held for sale are as follows. These assets and liabilities are recorded in “Prepaid expenses and other current assets” and “Other current liabilities” in the Consolidated Balance Sheet.

(Millions of yen)

Assets	As of March 31, 2022
Cash and cash equivalents	21,679
Notes, accounts receivable and contract assets	66,688
Inventories	36,306
Investments in and advances to affiliates	31,550
Property, plant and equipment	44,570
Other assets	14,621
Total assets	215,414

(Millions of yen)

Liabilities	As of March 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

Non-Consolidated Balance Sheet

Non-Consolidated Statement of Operations

Non-Consolidated Statement of Changes in Net Assets

Notes to Non-Consolidated Financial Statements

For the year ended March 31, 2022

The 183th term

Toshiba Corporation

Non-Consolidated Balance Sheet

As of March 31, 2022

Assets	(Millions of yen)
Current assets	639,505
Cash and cash equivalents	303,262
Notes receivables	463
Accounts receivables	36,518
Finished products	6,080
Raw materials	2,485
Work in process	2,830
Other receivables	69,096
Deposits paid	212,140
Prepaid expenses	4,188
Other current assets	4,070
Allowance for doubtful accounts	(1,632)
Fixed assets	1,000,623
Tangible fixed assets	69,714
Buildings	26,451
Structures	4,516
Machinery and equipment	11,334
Delivery equipment	111
Tools, fixtures and furniture	3,171
Land	22,210
Lease assets	119
Construction in progress	1,797
Intangible fixed assets	45,841
Software	4,273
Other intangible fixed assets	41,568
Investments and others	885,066
Investment securities	30,512
Security investments in subsidiaries and affiliates	822,992
Other investments	0
Other investments in subsidiaries and affiliates	14,990
Long-term prepaid expenses	28
Claims provable in bankruptcy and rehabilitation	1,029
Deferred tax assets	4,327
Other assets	12,305
Allowance for doubtful accounts	(1,121)
Total assets	1,640,128

Non-Consolidated Balance Sheet (Continued)

As of March 31, 2022

Liabilities	(Millions of yen)
Current liabilities	637,038
Accounts payable	12,669
Short-term loans	59,360
Lease obligations	87
Accrued liabilities	14,679
Accrued expenses	33,808
Corporate and other taxes payable	59
Advance payments received	18,729
Deposits received	494,118
Allowance for losses on litigation	4
Other current liabilities	3,520
Long-term liabilities	410,416
Long-term loans	305,740
Lease obligations	43
Allowance for retirement benefits	24,751
Allowance for losses on litigation	44,725
Allowance for treatment of PCB waste	10,832
Asset retirement obligations	1,946
Other long-term liabilities	22,376
Total liabilities	1,047,454
Net Assets	
Shareholders' equity	588,379
Common stock	200,869
Capital surplus	864
Capital legal reserve	864
Retained earnings	388,909
Legal retained earnings	12,962
Other retained earnings	375,947
Reserves for deferral of gains on sales of property	520
Retained earnings brought forward	375,427
Treasury stock	(2,263)
Difference of appreciation and conversion	4,294
Net unrealized gains (losses) on investment securities	6,880
Deferred profit (loss) on hedges	(2,586)
Total net assets	592,673
Total liabilities and net assets	1,640,128

Non-Consolidated Statement of Operations

For the year ended March 31, 2022

	(Millions of yen)
Net sales	86,442
Cost of sales	36,193
Gross margin	50,248
Selling, general and administrative expenses	86,783
Net operating loss	36,535
Non-operating income	119,673
Interest income	1,131
Dividend income	98,097
Rental income	12,142
Miscellaneous income	8,302
Non-operating expenses	15,530
Interest expenses	2,604
Losses on disposal of fixed assets	1,860
Litigation related expenses	2,148
Expenses of assets for rent	6,659
Miscellaneous expenses	2,257
Ordinary income	67,607
Extraordinary gains	8,108
Reversal of allowance for losses on litigation	8,108
Extraordinary losses	16,804
Provision of allowance for treatment of PCB waste	10,832
Losses on valuation of shares of subsidiaries and affiliates	5,685
Losses on valuation of investment securities	287
Net income before income taxes	58,911
Corporate tax, inhabitant tax and business tax	(20,829)
Taxes deferred	(7,897)
Net income	87,638

Non-Consolidated Statement of Changes in Net Assets

For the year ended March 31, 2022

(Millions of yen)	Shareholders' equity							
		Capital surplus			Retained earnings			
						Other retained earnings		
	Common stock	Capital legal reserve	Other capital surplus	Total capital surplus	Legal retained earnings	Reserves for deferral of gains on sales of property	Retained earnings brought forward	Total retained earnings
Balance at beginning of the term	200,558	554	-	554	3,063	546	499,535	503,145
Changes in the term								
Issuance of new shares	311	309		309				
Dividends from surplus					9,899		(108,890)	(98,991)
Disposal of reserves for deferral of gains on sales of property						(26)	26	-
Net income							87,638	87,638
Purchase of treasury stock								
Disposal of treasury stock			0	0				
Retirement of treasury stock			(102,883)	(102,883)				
Transfer to capital surplus from retained earnings			102,883	102,883			(102,883)	(102,883)
Net changes of items other than shareholders' equity								
Total changes in the term	311	309	-	309	9,899	(26)	(124,108)	(114,235)
Balance at end of the term	200,869	864	-	864	12,962	520	375,427	388,909

	Shareholders' equity		Difference of appreciation and conversion			Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on investment securities	Deferred profit (loss) on hedges	Total difference of appreciation and conversion	
Balance at beginning of the term	(5,054)	699,204	8,252	(1,614)	6,637	705,841
Changes in the term						
Issuance of new shares		620				620
Dividends from surplus		(98,991)				(98,991)
Disposal of reserves for deferral of gains on sales of property		-				-
Net income		87,638				87,638
Purchase of treasury stock	(100,092)	(100,092)				(100,092)
Disposal of treasury stock	0	0				0
Retirement of treasury stock	102,883	-				-
Transfer to capital surplus from retained earnings		-				-
Net changes of items other than shareholders' equity			(1,372)	(971)	(2,343)	(2,343)
Total changes in the term	2,790	(110,824)	(1,372)	(971)	(2,343)	(113,167)
Balance at end of the term	(2,263)	588,379	6,880	(2,586)	4,294	592,673

1. Notes to Significant Accounting Policies

Non-consolidated financial information has been prepared in accordance with Japanese generally accepted accounting principles.

(1) Method of valuation of securities

Investment securities in affiliates	Valued at acquisition cost based on the moving average method
Other securities	
Marketable securities	Valued at market value (The difference are recorded directly in net assets and cost of sales is calculated by the moving average method)
Non-marketable securities	Valued at acquisition cost based on the moving average method

(2) Method of valuation of derivatives

Derivatives	Valued at market value

(3) Method of valuation of inventories

Finished products	Valued at acquisition cost either based on the specific identification method or on the moving average method
Raw materials	Valued at acquisition cost based on the moving average method
Work in process	Valued at acquisition cost either based on the specific identification method or on the weighted average method

Amounts carried on the balance sheet are stated after their devaluation based on the lowered profitability.

(4) Depreciation methods for fixed assets

Tangible fixed assets (excluding lease assets)	The straight-line method. Service life of buildings and structures is from 3 years to 60 years. Service life of machinery and equipment is from 2 years to 17 years.
Intangible fixed assets (excluding lease assets)	The straight-line method. However, for software for sales, the straight-line method based on estimated sales volume or remaining effective life (up to 3 years). For software for internal use, the straight-line method based on internal service life (up to 5 years).
Lease assets	Lease assets under non-ownership transfer finance lease transactions. For accounting for such lease assets, the Company applies a straight-line method with the lease period as useful life and the residual value as 0.

(5) Recognition of allowance

Allowance for doubtful accounts	To account for potential losses on bad debts, allowances for doubtful accounts are recorded. The allowance for doubtful accounts is generally recorded based on the write-off history and also recorded for any specific, known troubled accounts based on the evaluation of their collectability.
Allowance for losses on litigation	To account for the contingent losses that may be incurred in the future with respect to lawsuits or other disputes, a reasonable estimate of potential loss is recorded upon having considered the individual risks in terms of the respective contingencies.
Allowance for retirement benefits	To account for retirement benefits, the estimated amount is based on the accrued pension and severance costs to be incurred at the end of fiscal year. Retirement benefit obligations are calculated on the benefit formula basis to attribute estimated accrued severance costs to the period to the current fiscal year. Prior service cost is amortized by straight-line method over 10 years. Actuarial differences are amortized by straight-line method over 10 years from the fiscal year following the fiscal year in which they arise.
Allowance for treatment of PCB waste	The Company recognizes estimated costs in relation to the disposal of polychlorinated biphenyl (PCB) waste, as obliged by "The Law concerning Special Measures for Promotion of Proper Treatment of PCB Wastes", for the current fiscal year.

(6) Revenue recognition

Revenue is recognized at a point in time for the sale of the products, when the Company has fulfilled its performance obligation to deliver the products agreed to under the sales agreement with the customer. The customer will obtain control over the products once they are delivered. Revenue under construction contracts are recognized based on the progress of the work that is completed and as such the Company will satisfy their performance obligation over time.

The Company has a performance obligation to provide value for the accumulated use of the brand name, by granting a license to each of the Group companies. The performance obligation is satisfied when each Group company records sales, as the revenue amount is recognized by the Company based on an agreed upon rate multiplied by the net sales of each Group company.

(7) Hedge accounting

Accounting method

In principal, the Company applies the deferral hedge accounting method. In addition, when the forward exchange contracts meet the conditions for hedged items, the Company does not account for gains and losses on those forward exchange contracts on a fair value basis, but converts hedged items using the rates of those forward exchange contracts at the closing day.

Moreover, when interest swap agreements meet the conditions for hedged items, the Company does not account for gains and losses on those interest swap agreements on a fair value basis, but recognizes swap interest on an accrual basis.

Measures and objects

Measures	Forward exchange contracts, interest rate swap agreements and borrowings denominated in foreign currency, etc.
Objects	Monetary assets and liabilities denominated in foreign currency, commitments on future transactions denominated in foreign currency, borrowings and investments in foreign subsidiaries, etc.

Policy

To reduce foreign currency risk and interest risk and to improve net interest expense, the Company employs derivative instruments within actual demand of the Company.

Evaluation of effectiveness

The Company compares the total amount of market change or change of cash flow of objects and the total amount of market change or change of cash flow of measures. Effectiveness of hedge is evaluated based on change of both. However, when interest rate swap agreements are recognized by the exceptional method described above, evaluation of effectiveness is skipped.

(8) Accounting of consumption taxes

Transactions subject to consumption taxes are recorded at amounts without tax.

(9) Consolidated taxation system

1) The Company utilizes the consolidated tax payment system.
2) The Company determines the balance for deferred tax assets and deferred tax liabilities based on the previous Accounting Standards as permitted under the provision of Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (ASBJ PITF No. 39, March 31, 2020).

(10) Presentation of amount

Amounts under million are rounded down.

2. Notes to Changes in Accounting Policies

(Adoption of Accounting Standard for Revenue Recognition)

The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 of March 31, 2020) and “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30 of March 31, 2020) effective from the beginning of the current fiscal year.

The adoption of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations is subject to the transitional treatment provided for in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition, but there is no impact on the balance of retained earnings brought forward at the beginning of the current fiscal year. In addition, there is no impact on profit and loss of the current fiscal year.

(Adoption of Accounting Standard for Fair Value Measurement)

The Company has adopted the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30 of July 4, 2019) and relevant ASBJ regulations effective from the beginning of the current fiscal year.

The Company has adopted the new accounting policy provided for by the Accounting Standard for Fair Value Measurement and relevant ASBJ regulations prospectively in accordance with the transitional measures provided for in paragraph 19 of the Accounting Standard For Fair Value Measurement, and paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10 of July 4, 2019). There is no impact from this change on the financial statements for the current fiscal year.

3. Notes to Changes in Presentation Methods

(Non-Consolidated Statement of Operations)

"Losses on disposal of fixed assets," which had been included in "Miscellaneous expenses" under "Non-operating expenses" up until the previous fiscal year, has been separately stated in the current fiscal year due to its heightened materiality. In the previous fiscal year, "Losses on disposal of fixed assets" included in "Miscellaneous expenses" under "Non-operating expenses" was 515 million yen.

4. Notes to Accounting Estimates

Items for which the amount was recorded in the non-consolidated financial statements for the current fiscal year based on accounting estimates, and which may have a significant impact on the non-consolidated financial statements for the following fiscal year, are as follows.

Allowance for losses on litigation 44,730 million yen

5. Notes to Non-Consolidated Balance Sheet

(1) Collateral assets and liabilities secured by collaterals

Collateral assets:

Security in subsidiaries and affiliates (Kioxia Holdings Corporation) 83,956 million yen

The Company has pledged the above assets as collateral for loan agreements concluded with financial institutions by the affiliate (Kioxia Holdings Corporation).

(2) Accumulated depreciation for tangible fixed assets: 116,085 million yen

(3) Liabilities on guarantees

The Company guarantees lease obligations, etc. as follows:

(Millions of yen)

Guarantee	Balance of liabilities on guarantees
Toshiba America, Inc.	2,003
Toshiba Infrastructure System & Solutions Corporation	246
Westinghouse Electric Company LLC	222
Others	457
Total	2,929

(4) Important disputes

In February 2015, the Company received an order from the Securities and Exchange Surveillance Commission, based on Article 26 of the Financial Instruments and Exchange Act, requiring submission of a report. The Company was then subject to inspection regarding projects that used percentage-of-completion accounting. Later, after establishing the Independent Investigation Committee and conducting the investigation, it was found that the Company had continuously carried out inappropriate accounting and, therefore, the Company filed amendments of the past Annual Securities Reports and other reports. Holders of American Depositary Receipts filed a class action lawsuit against the Company in the State of California, in the US in relation to the inappropriate financial reporting by the Company. The Company filed a petition with the court for rejection of the lawsuit on the grounds that securities laws of the US do not apply to the above-mentioned securities, among other reasons, and the decision to reject the lawsuit was made as of May 20, 2016 (US time). The plaintiffs lodged an appeal against the judgement on July 25, 2016 (US time), and the appellate instance reversed the judgement of the district court on July 17, 2018 (US time) and issued a judgement to remand the case to the district court to enable the plaintiffs to submit a revised complaint. However, the Company filed an appeal against the judgement with the US Supreme Court on October 15, 2018 (US time). But the request was rejected on June 24, 2019 and returned to the district court. Damage compensation claims have been demanded against the Company in Japan as well with the plaintiffs claiming to have suffered damage due to inappropriate financial reporting by the Company. The Company accrued the reasonably estimated amount expected to be paid for the damage compensation. Certain of these claims have been pending with several courts including seeking payment by (1) foreign institutional investors of approximately 13,657 million yen in June 2016, 21,759 million yen in April 2017, 43,561 million yen in April 2017, 9,227 million yen in June 2017, 33,000 million yen and 837 million yen in September 2017, 410 million yen in October 2017 and 4,051 million yen in April 2018, and (2) Trust & Custody Services Bank, Ltd. (currently Custody Bank of Japan, Ltd.), of approximately 14,026 million yen in March 2017.

The Group has global business operations and is involved from time to time in disputes, including lawsuits and other legal proceedings and investigations by relevant authorities. Due to differences in judicial systems and the uncertainties inherent in such proceedings, the Group may be subject to a ruling requiring payment of amounts far exceeding its expectations. Any judgment or decision unfavorable to the Group could have a materially adverse effect on the Group's business, results of operations or financial condition. However, based on the information currently available to the Group, Management believes that such legal procedures would not have a material adverse effect on the financial position or the results of operations of the Group.

(5) Monetary receivables and liabilities to subsidiaries and affiliates

Current monetary receivables	279,787 million yen
Current monetary liabilities	516,414 million yen

6. Notes to Non-Consolidated Statement of Operations

(1) Sales to subsidiaries and affiliates 65,095 million yen

(2) Purchases from subsidiaries and affiliates 11,898 million yen

(3) Non-operating transactions amounts with subsidiaries and affiliates 127,930 million yen

(4) Provision of allowance for treatment of PCB waste

As required by "The Law concerning Special Measures for Promotion of Proper Treatment of PCB Wastes", the Company has recognized an allowance of approximately 10,832 million yen for treatment of PCB waste, as specific treatment methods and schedules have become available during the fiscal year.

7. Notes to Non-Consolidated Statement of Changes in Net Assets

(1) The class and number of issued shares as of March 31, 2022

Common stock 433,137,955 shares

(2) The class and number of treasury stock as of March 31, 2022

Common stock 489,871 shares

(3) Resolution of dividends

Resolution	Total amount of dividends	Dividend per share	Record date	Effective date
Board of Directors Meeting held on May 14, 2021	31,768 million yen	70 yen	Mar. 31, 2021	Jun. 4, 2021
Board of Directors Meeting held on July 21, 2021	49,921 million yen	110 yen	Jun. 30, 2021	Aug. 6, 2021
Board of Directors Meeting held on November 12, 2021	17,300 million yen	40 yen	Sep. 30, 2021	Dec. 1, 2021
Board of Directors Meeting to be held on May 13, 2022	30,285 million yen	70 yen	Mar. 31, 2022	Jun. 14, 2022

8. Notes to Deferred Income Tax Accounting

Deferred tax assets have been recognized due to losses on the valuation of shares, allowance for losses on litigation, non-recognition of the allowance for retirement benefits, and net-loss carried forward, etc.

The occurrence of deferred tax liabilities was mainly attributable to net unrealized gains (losses) on investment securities.

9. Notes to Transaction with Related Parties

Subsidiaries and affiliates (Millions of yen)

Distinction of subsidiary/ affiliate	Company	Holding ratio of voting rights*1	Relationship	Transaction	Amount	Accounts	Ending balance
Subsidiary	Toshiba International Corporation	100%	Sales of the Company's products	Sales of battery products*2	24,083	Accounts receivable	9,306
Subsidiary	Toshiba Electronic Devices & Storage Corporation	100%	Use of brands, etc. Lending of cash Borrowing of cash Debt guarantees received	Consideration of use of brands, etc.*3	9,557	Accounts receivable	5,139
				Lending of cash*4*5	–	Deposits paid	68,169
				Receipt of interests *4*5	414	Other receivables	29
				Borrowing of cash *4*5	–	Deposits received	16,688
				Payment of interests *4*5	15	Accrued expenses	1
				–	–	Debt guarantees received*10	–
Subsidiary	Toshiba Infrastructure Systems & Solutions Corporation	100%	Use of brands, etc. Lending of cash Debt guarantees received	Consideration of use of brands, etc.*3	7,411	Accounts receivable	4,838
				Lending of cash*4*5	–	Deposits paid	16,680
				Receipt of interests *4*5	137	Other receivables	18
				–	–	Debt guarantees received*10	–
Subsidiary	Toshiba Energy Systems & Solutions Corporation	100%	Use of brands, etc. Borrowing of cash Debt guarantees received	Consideration of use of brands, etc.*3	6,600	Accounts receivable	4,382
				Borrowing of cash *4*5	–	Deposits received	169,824
				Payment of interests *4*5	143	Accrued expenses	11
				–	–	Debt guarantees received*10	–
Subsidiary	Toshiba I.S. Corporation	100%	Acceptance of services	Operation and maintenance of systems,etc. *6	22,054	Accrued expenses	4,514
Subsidiary	Toshiba T1 Projects Corporation	100%	Software development.	Commission of software development,etc.*7	21,324	Accrued liabilities	1,135
Affiliate	Kioxia Corporation	40.6%	Payment for indemnity	Payment of indemnity based on share purchase agreement*8	7,710	–	–
Subsidiary	Kaga Toshiba Electronics Corporation	100%	Lending of cash	Lending of cash*4*5	–	Deposits paid	25,518
				Receipt of interests *4*5	121	Other receivables	9
Subsidiary	Toshiba Plant Systems & Services Corporation	100%	Borrowing of cash	Borrowing of cash *4*5	–	Deposits received	52,460
				Payment of interests *4*5	46	Accrued expenses	3
Subsidiary	Toshiba Digital Solutions Corporation	100%	Borrowing of cash Debt guarantees received	Borrowing of cash *4*5	–	Deposits received	49,534
				Payment of interests *4*5	42	Accrued expenses	2
				–	–	Debt guarantees received*10	–
Subsidiary	NuFlare Technology, Inc.	100%	Borrowing of cash	Borrowing of cash *4*5	–	Deposits received	34,469
				Payment of interests *4*5	28	Accrued expenses	2

Subsidiary	Toshiba Asia Pacific Pte., Ltd.	100%	Borrowing of cash	Borrowing of cash *4*5	–	Deposits received	26,886
				Payment of interests *4*5	41	Accrued expenses	2
Subsidiary	Toshiba Europe Ltd.	100%	Borrowing of cash	Borrowing of cash *4*5	–	Deposits received	25,077
				Payment of interests *4*5	56	Accrued expenses	3
Subsidiary	Toshiba America, Inc.	100%	Borrowing of cash	Borrowing of cash *4*5	–	Deposits received	19,053
				Payment of interests *4*5	89	Accrued expenses	5
Affiliate	Kioxia Holdings Corporation	40.6%	Provision of collateral	Provision of collateral*9	–	–	–

(Notes)

* 1. Voting rights include voting rights held through subsidiaries of the Company.
* 2. Sales of battery products is determined on the basis of mutual discussion drawing on conditions prevailing in an arms-length transaction.
* 3. Consideration for use of brands, etc. is determined on the basis of mutual discussion drawing on conditions prevailing in an arms-length transaction.
* 4. Conditions of lending and/or borrowing of cash are determined on the basis of mutual discussion drawing on conditions prevailing in an arms-length transaction, considering market interest rate.
* 5. Amounts such as those involving lending and/or borrowing of cash are not stated because such transactions are performed on a recurring basis drawing on cash management systems for the effective utilization of funds within the Group.
* 6. The operation and maintenance of systems is determined on the basis of mutual discussion drawing on conditions prevailing in an arms-length transaction in relation to the price presented by Toshiba I.S. Corporation.
* 7. The Commission of software development is determined on the basis of mutual discussion drawing on conditions prevailing in an arms-length transaction in relation to the price presented by Toshiba T1 Projects Corporation.
* 8. The share purchase agreement of Kioxia Corporation (formerly Toshiba Memory Corporation) states that the Company has an obligation for the indemnification for any losses incurred as the result of any breach of representations and warranties, the determination of a United States International Trade Commission (USITC) investigation, specific litigations and other patent claims, and any patent license agreements with certain counterparties specified in advance, and other conditions specified in the agreement.
* 9. All the shares of Kioxia Holdings Corporation owned by the Company amounting to 83,956 million yen are provided to financial institutions as collateral for loan agreements that Kioxia Holdings Corporation concludes with financial institutions.
*10. The Company received joint and several guarantees of 774,298 million yen from four subsidiaries against the Company’s borrowings or the like.

10. Notes to Per Share Information

(1) Net assets per share	1,369.88 yen
(2) Net income per share	199.02 yen

11. Notes to Revenue Recognition

This description is omitted because the same content is described in “3. Notes to Revenue Recognition” in the Notes to Consolidated Financial Statements.

12. Notes to Significant Subsequent Events

Not applicable.

Independent Auditor's Report
(English Translation*)

May 13, 2022

Toshiba Corporation
Representative Executive Officer
President and Chief Executive Officer
Taro Shimada

PricewaterhouseCoopers Aarata LLC
Tokyo office
Yoshihisa Chiyoda, CPA
Designated limited liability Partner
Engagement Partner
Takeshi Tadokoro, CPA
Designated limited liability Partner
Engagement Partner
Masahide Kato, CPA
Designated limited liability Partner
Engagement Partner
Hiroyuki Inoue, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 444 (4) of the Companies Act of Japan, the accompanying consolidated financial statements, which comprise the consolidated balance sheet, consolidated statement of operations, consolidated statement of equity, and notes to the consolidated financial statements of Toshiba Corporation for the fiscal year from April 1, 2021 to March 31, 2022.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Toshiba Corporation and its consolidated subsidiaries (the Group) and its financial performance for the period covered by the consolidated financial statements in accordance with accounting principles generally accepted in the United States (U.S. GAAP) with the provision of the second sentence of Article 120, (1) that applies mutatis mutandis to Article 120-3, (3) of the Ordinance on Accounting of Companies, which permits the omission of some disclosure items required under U.S. GAAP.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

* The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Other Information

The other information comprises the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. GAAP with the provision of the second sentence of Article 120, (1) that applies mutatis mutandis to Article 120-3, (3) of the Ordinance on Accounting of Companies, which permits the omission of some disclosure items required under U.S. GAAP, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with U.S. GAAP with the provision of the second sentence of Article 120, (1) that applies mutatis mutandis to Article 120-3, (3) of the Ordinance on Accounting of Companies, which permits the omission of some disclosure items required under U.S. GAAP.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the consolidated financial statement audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the consolidated financial statements are in accordance with U.S. GAAP with the provision of the second sentence of Article 120, (1) that applies mutatis mutandis to Article 120-3, (3) of the Ordinance on Accounting of Companies, which permits the omission of some disclosure items required under U.S. GAAP, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our Firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

* The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Independent Auditor's Report
(English Translation*)

May 13, 2022

Toshiba Corporation
Representative Executive Officer
President and Chief Executive Officer
Taro Shimada

PricewaterhouseCoopers Aarata LLC
Tokyo office
Yoshihisa Chiyoda, CPA
Designated limited liability Partner
Engagement Partner
Takeshi Tadokoro, CPA
Designated limited liability Partner
Engagement Partner
Masahide Kato, CPA
Designated limited liability Partner
Engagement Partner
Hiroyuki Inoue, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 436 (2) (i) of the Companies Act of Japan, the accompanying financial statements, which comprise the non-consolidated balance sheet, non-consolidated statement of operations, non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements, and the supplementary schedules of Toshiba Corporation (hereinafter referred to as the "Company") for the 183rd fiscal year from April 1, 2021 to March 31, 2022.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and its financial performance for the period covered by the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and the supplementary schedules in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Other Information
The other information comprises the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Company's reporting process of the other information.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements and the Supplementary Schedules
Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.
The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules
Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.
As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures of the financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

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(Translation)

AUDIT REPORT FOR FINANCIAL STATEMENTS AND ACCOUNTING AUDIT REPORT

We, the Audit Committee of the Company, have audited the Financial Statements (the Balance Sheet, the Statement of Operations, the Statement of Equity and the Notes to Financial Statements) and their related supplementary schedules (hereinafter collectively referred to as the "Individual Financial Statements") and the Consolidated Financial Statements (the Consolidated Balance Sheet, the Consolidated Statement of Operations, the Consolidated Statement of Equity and the Notes to Consolidated Financial Statements, hereinafter referred to as the "Consolidated Financial Statements") during the 183rd fiscal period, from April 1, 2021 to March 31, 2022. We report the method and the results as follows:

1. Method and contents of audit

Pursuant to the audit policy, assigned duties and other rules that the Audit Committee decided, we have received reports on the Individual Financial Statements and the Consolidated Financial Statements from Executive Officers and other personnel and, sought their explanations as necessary. In addition, we have overseen and inspected whether the accounting auditor keep their independency and conduct appropriate audit. We have received reports on execution of their duties from the accounting auditor and, sought their explanations as necessary. Also, we have received notice from the accounting auditor that they maintain "systems to ensure appropriateness of execution of duties" (matters described in each item of Article 131 of the Ordinance on Accounting of Companies) in accordance with "Quality Control Standards for Audits" (Business Accounting Council, October 28, 2005) and, sought their explanations as necessary.

Based on the method above, we have examined the Individual Financial Statements and the Consolidated Financial Statements for the 181st fiscal period.

2. Results of audit

The Audit Committee conclude that methods and results of the audit conducted by the accounting auditor, PricewaterhouseCoopers Aarata LLC, are fair and reasonable.

May 13, 2022

Audit Committee
Toshiba Corporation
Audit Committee Member (full-time)
Katsunori Hashimoto
Audit Committee Member
Ms. Mariko Watahiki
Audit Committee Member
Mr. T Paul J. BROUGH

Note:Katsunori Hashimoto, Ms. Mariko Watahiki and Mr. T Paul J. BROUGH are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

* The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

(Translation)

AUDIT REPORT FOR BUSINESS REPORTS, ETC

We, the Audit Committee of the Company, have audited Directors' and Executive Officers' execution of their duties during the 183rd fiscal period, from April 1, 2021 to March 31, 2022. We report the method and the results as follows:

1. Method and contents of audit

Regarding the internal control system (the contents of the resolution of the Board of Directors with respect to items prescribed in Article 416, Paragraph 1, Item 1 b) and e) of the Companies Act and the system developed based on the said resolution), we, the Audit Committee, have received periodic reports from the Directors, Executive Officers and employees regarding the current status on the establishment and management of such system, sought their explanations as necessary, and expressed opinions. In addition, the Audit Committee carried out audits according to the following method:

a. Pursuant to the audit policy, assigned duties and other rules that the Audit Committee decided, and in cooperation with the internal audit division and other divisions responsible for internal control, we have attended important meetings; received reports from Directors, Executive Officers and others on execution of their duties, and sought their explanations as necessary; inspected important documents of management's decision making and others; and investigated the status of the business operations and assets at the head office and other main places of business. With respect to subsidiaries, we have endeavored communication and exchange of information with Directors, Audit & Supervisory Board members, etc., of the subsidiaries; received reports on business from them; and sought the subsidiaries' explanations as necessary.

   In regard to internal control over financial reporting, we received reports from Executive Officers, et al. and PricewaterhouseCoopers Aarata LLC on the current status of discussions between both parties, evaluation of the said internal control and status of audit, sought their explanations as necessary.

b. We have reviewed the contents of the "Basic Policy on the Control of the Company" described in the Business Report (basic policy prescribed in Article 118, Item 3 a) of the Ordinance for Enforcement of the Companies Act).

Based on the method above, we have examined the Business Report, , and its related supplementary schedules for the 183rd fiscal period.

* The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

2. Results of audit

a. The Business Report and its related supplementary schedules present fairly the status of the Company in accordance with the related laws and regulations and the Articles of Incorporation.

b. Our audit did not detect any misconduct by Directors or Executive Officers concerning the execution of their duties or any material fact constituting a violation of any laws and regulations or the Articles of Incorporation.

c. We conclude that the resolutions of the Board of Directors with respect to the internal control system are appropriate. With respect to the description in the Business Report and the performance of the duties of Directors and Executive Officers regarding the said internal control system, including internal control over financial reporting, we confirm that there is no matter to be pointed out.

d. We are of the opinion that the “Basic Policy on the Control of the Company” that is set forth in the Business Report is appropriate.

May 24, 2022

Audit Committee
Toshiba Corporation

Audit Committee Member (full-time)
Katsunori Hashimoto
Audit Committee Member
Mariko Watahiki
Audit Committee Member
Paul J. Brough

The supplementary opinion of Audit Committee Members Katsunori Hashimoto and Mariko Watahiki is as follows.

Independent Director Mr. Raymond Zage, clearly identifying that he occupied the position of Independent Director, made his public statement that he was against the resolution of the Board without prior consultation with the other Directors. We have to say that such act not only caused the Board to lose the opportunity to take action after due and thorough re-discussion of the issues raised by Mr. Raymond Zage, it also damaged shareholder confidence in the Board and caused concerns about corporate governance. Even if the above act cannot be said to constitute a breach of the duty of care, we believe that the act is lacking in consideration and awareness of work duty performance as a director and that there is doubt as to its appropriateness. We believe that if such acts were repeated, it could lead to a failure of governance at Toshiba, and therefore, we add this supplementary opinion.

Note: Mr. Katsunori Hashimoto, Ms. Mariko Watahiki and Mr. T Paul J. Brough are outside directors prescribed by Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

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