

TOSHIBA

FY2023 Third Quarter Consolidated Business Results

Toshiba Tec Corporation

Feb 7, 2024

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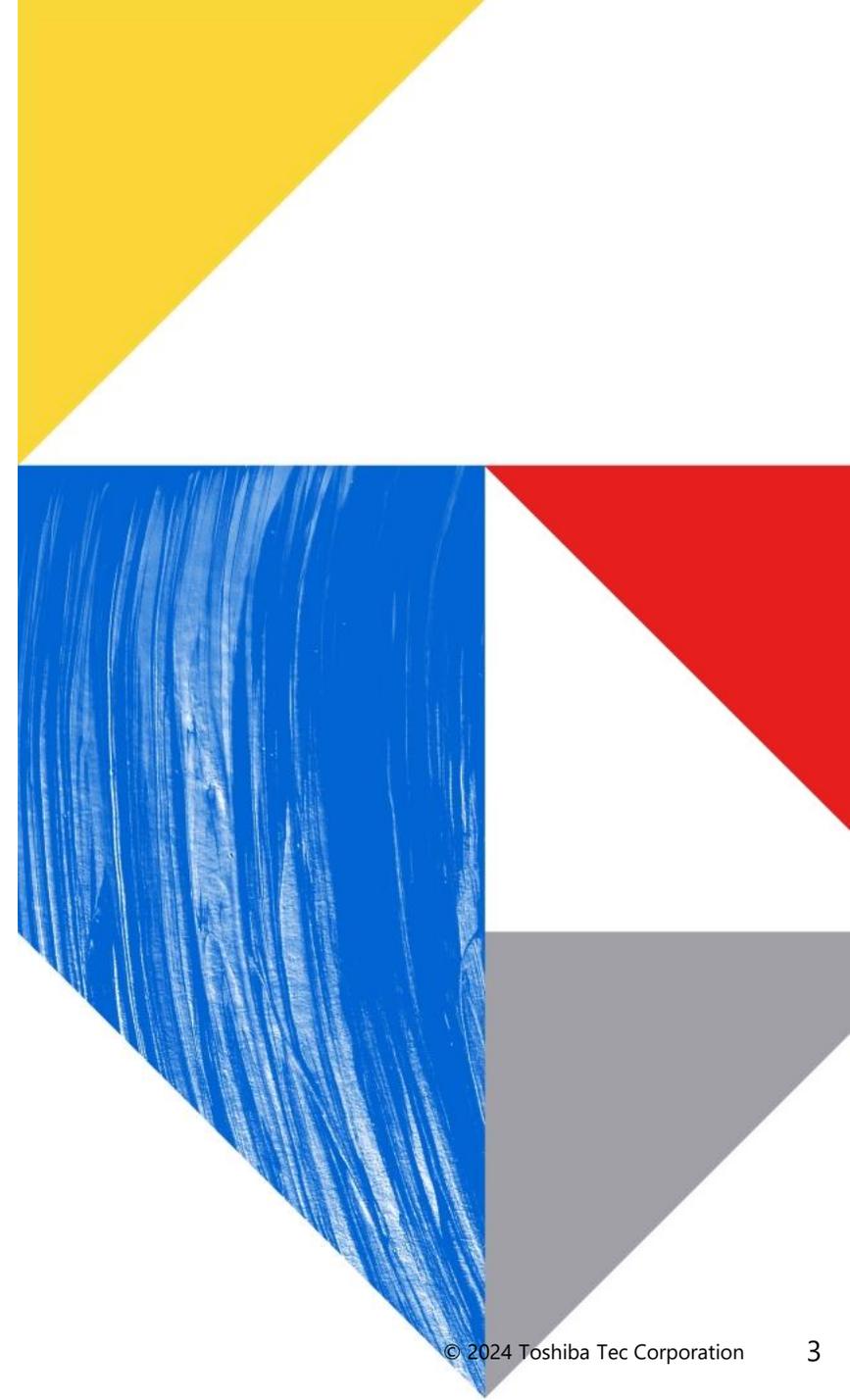
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Key Messages



Key Messages

Domestic retail business and Workplace business performed well in the 3Q of FY2023 while overseas retail business posted lower sales and profit

Both the domestic retail business and Workplace business achieved higher sales and profit in the 3Q (Oct – Dec) versus the same period last year, but the overseas retail business decreased sales and profit due to the customer's weaker investment appetite affected by the uncertainty of the market

For the full year forecast, operating profit and dividend will remain unchanged from the previous forecast, while the profit attributable to owners of parent will be reduced to break even.

Owing to the company's planning to reverse some deferred tax assets related to U.S. subsidiary of the overseas retail business and other reasons, the profit attributable to owners of parent is expected to be break even

Announced the transfer of the Inkjet Head business to RISO KAGAKU CORPORATION via Company Split

Implement business transformation and corporate transformation through promoting business portfolio restructuring

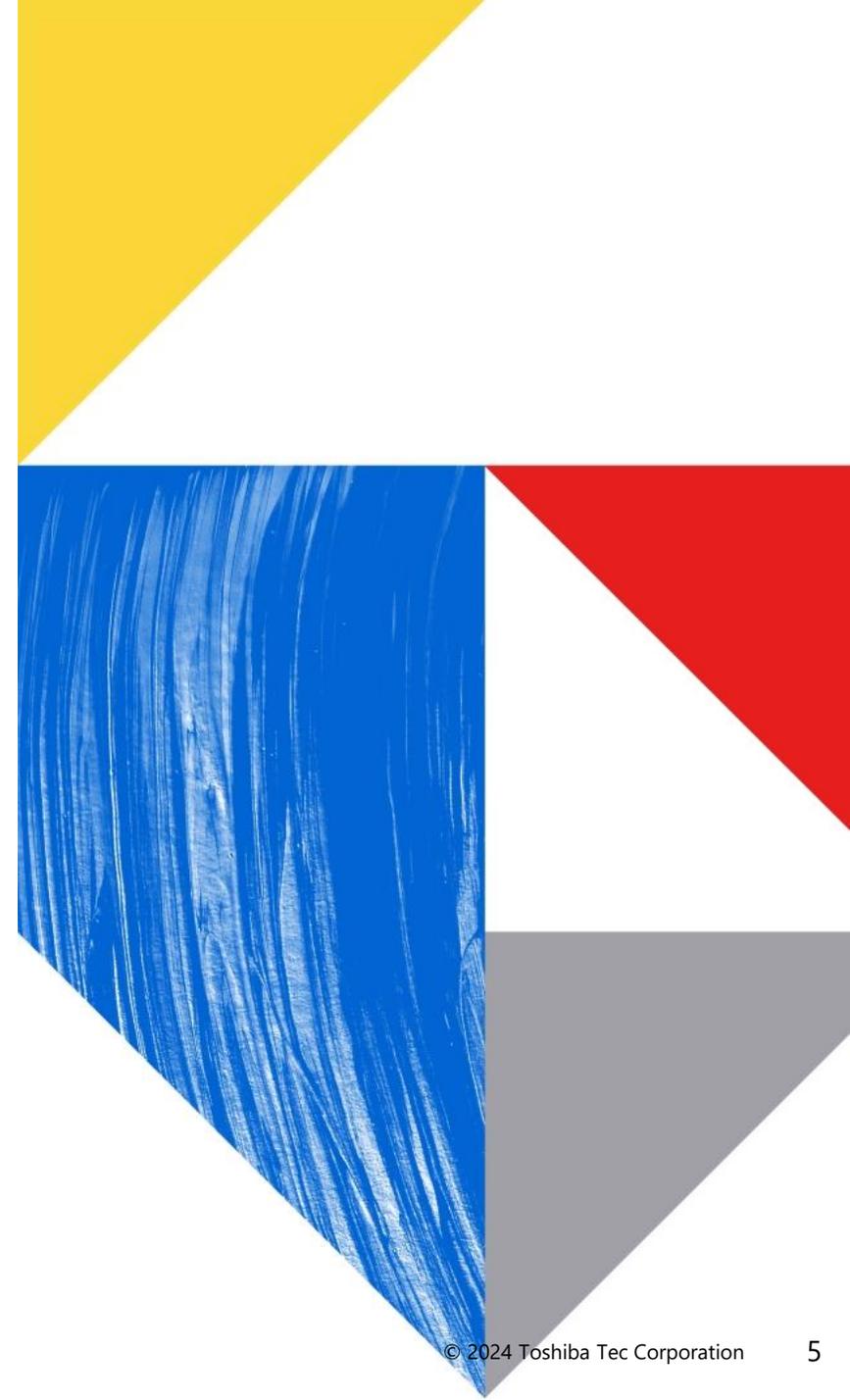
Sales activities (in progress)

Domestic Retail Business: Final adjustments for the conclusion of a major contract

Overseas Retail Business: Won a large-scale deal with CVS customer in Australia

02

FY2023 Third Quarter Consolidated Business Results



FY2023/1Q-3Q Business Results (Consolidated)

(Billions of yen)

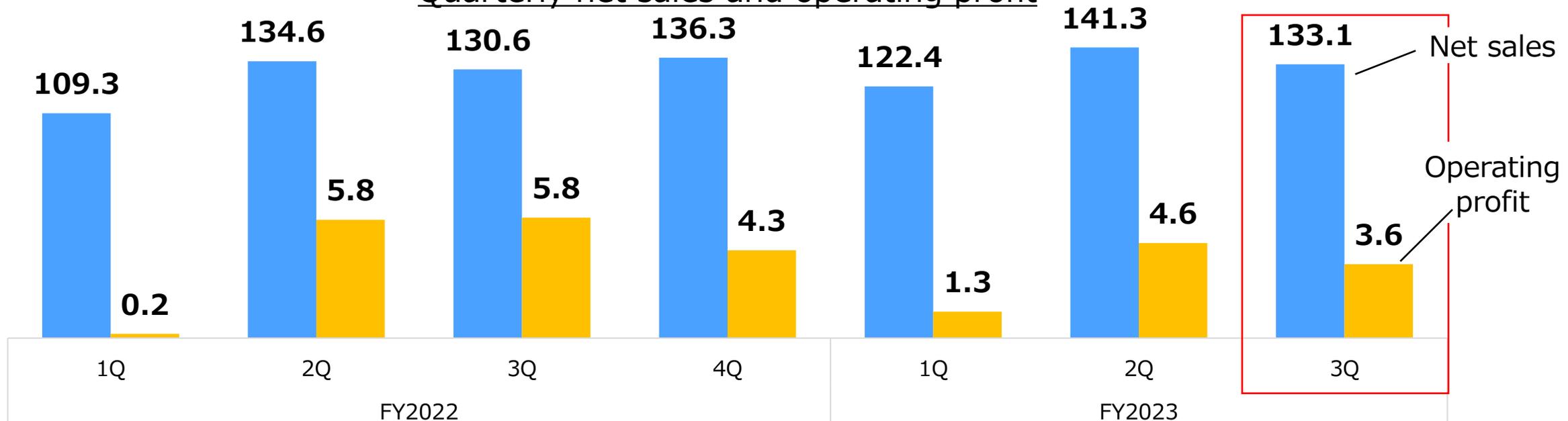
		FY2023/1Q-3Q Actual	FY2022/1Q-3Q Actual	Difference vs FY2022/1Q-3Q
Net Sales		396.7	374.5	+22.2
Operating Profit		9.5	11.8	△2.3
	(Rate of sales)	(2.4%)	(3.2%)	
Ordinary Profit		6.4	9.9	△3.5
	(Rate of sales)	(1.6%)	(2.7%)	
Loss Attributable to Owners of Parent		△14.7	△2.0	△12.7
	(Rate of sales)	(-%)	(-%)	
Foreign Currency Exchange Rate (Yen)	US\$	142.87	135.72	+7.15
	EUR	154.99	140.30	+14.69

FY2023/1Q-3Q Business Results (Quarterly)

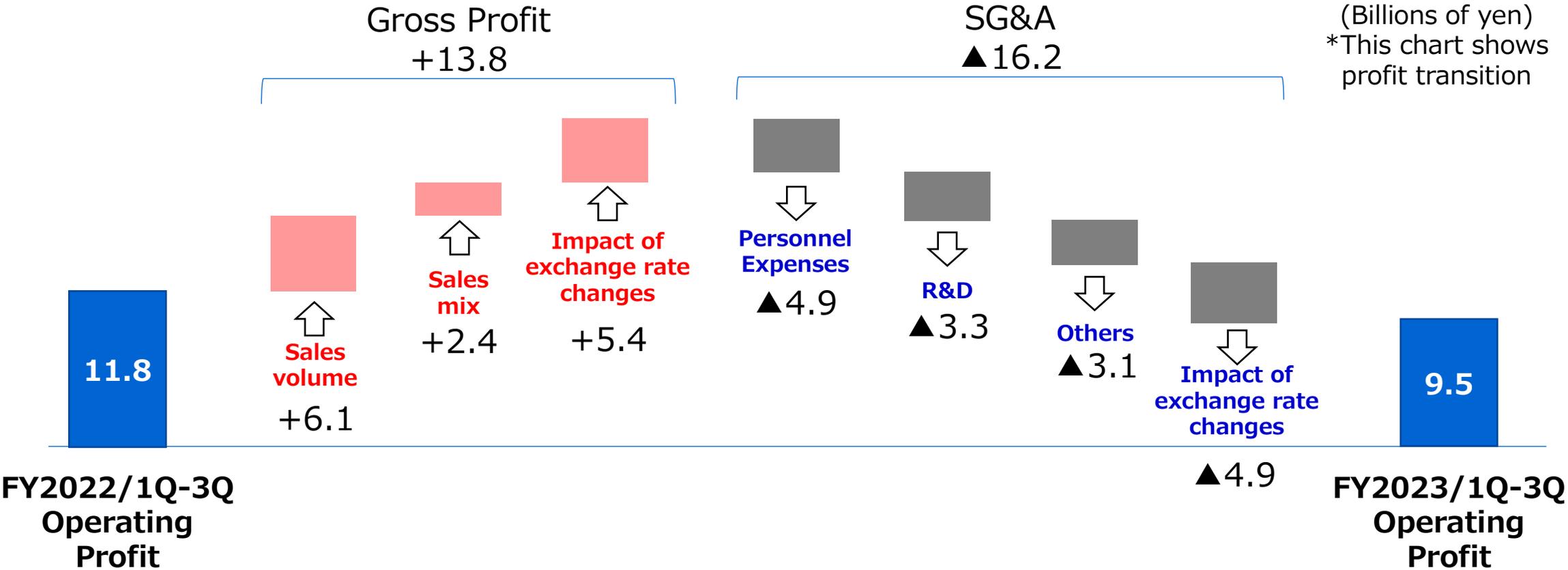
(Billions of yen)

	FY2023/1Q Actual	FY2023/2Q Actual	FY2023/3Q Actual	FY2023/1Q-3Q Actual
Net Sales	122.4	141.3	133.1	396.7
Operating Profit (Rate of sales)	1.3 (1.1%)	4.6 (3.3%)	3.6 (2.7%)	9.5 (2.4%)

Quarterly net sales and operating profit



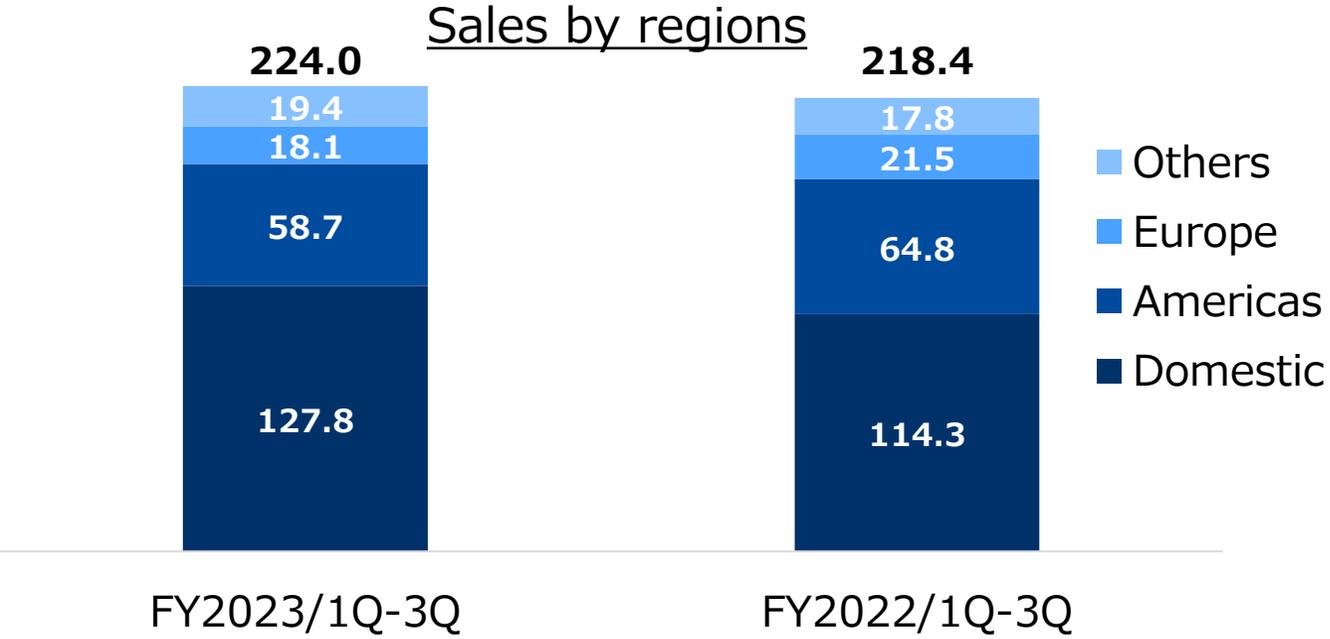
Operating Profit Analysis of FY2023/1Q-3Q



FY2023/1Q-3Q Business Results by Segment

(Billions of yen)

	FY2023/1Q-3Q Actual	FY2022/1Q-3Q Actual	Difference vs FY2022/1Q-3Q
Retail Solutions Business Group			
Net Sales	224.0	218.4	+5.5
Operating Profit (Rate of sales)	△0.4 (-%)	6.2 (2.8%)	△6.5

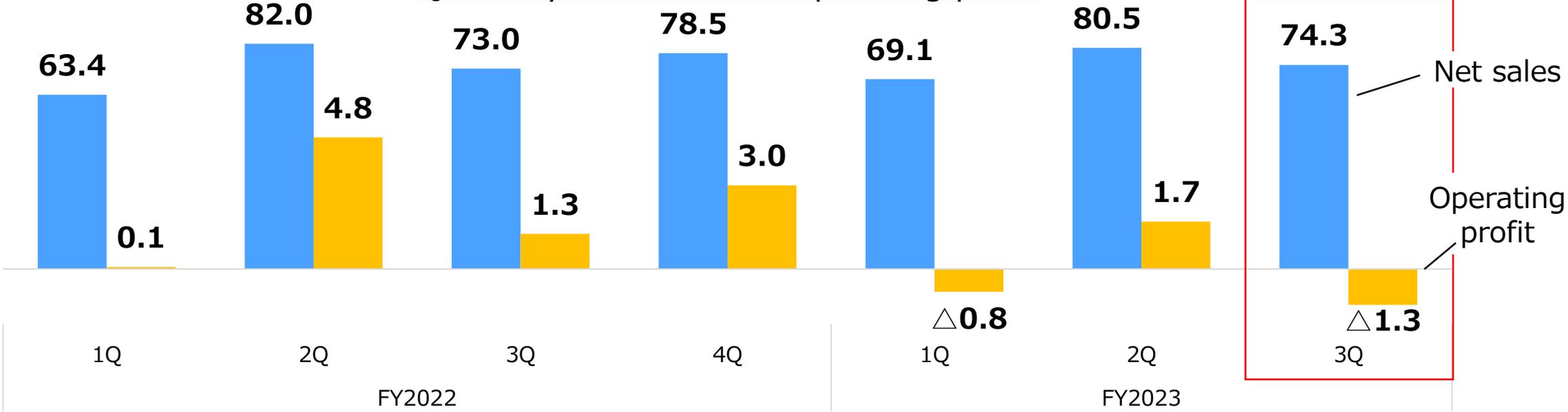


FY2023/1Q-3Q Business Results by Segment (Quarterly)

(Billions of yen)

	FY2023/1Q Actual	FY2023/2Q Actual	FY2023/3Q Actual	FY2023/1Q-3Q Actual
Retail Solutions Business Group				
Net Sales	69.1	80.5	74.3	224.0
Operating Profit	△0.8	1.7	△1.3	△0.4
(Rate of sales)	(-%)	(2.1%)	(-%)	(-%)

Quarterly net sales and operating profit

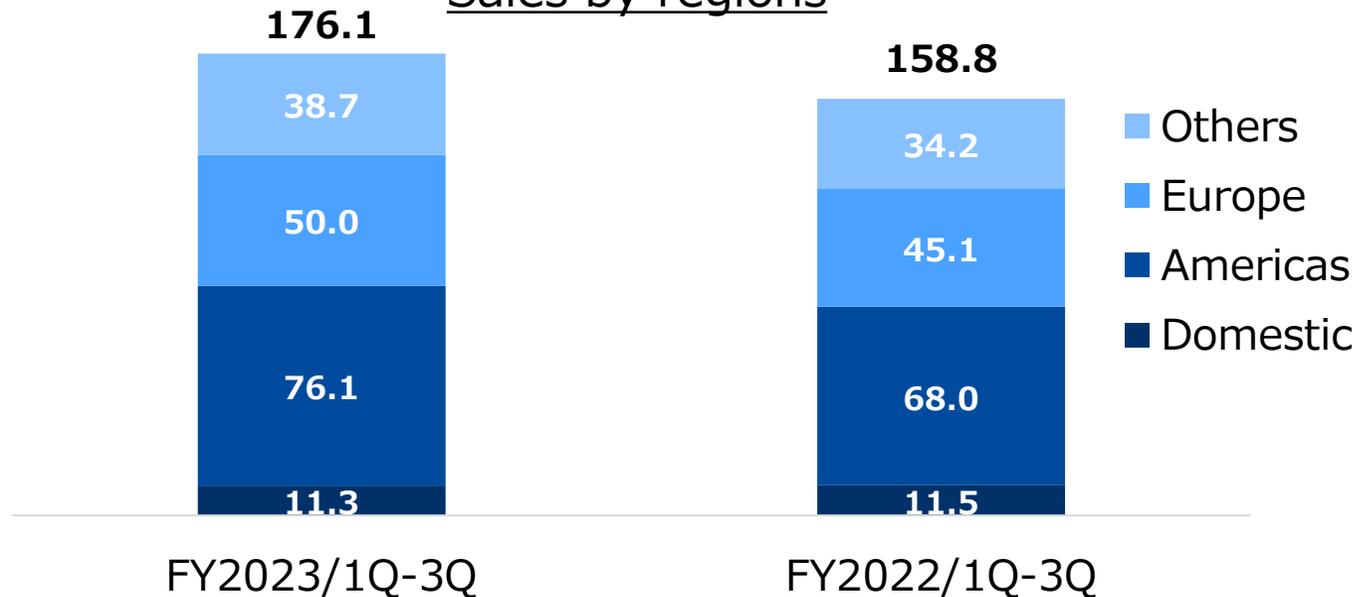


FY2023/1Q-3Q Business Results by Segment

(Billions of yen)

		FY2023/1Q-3Q Actual	FY2022/1Q-3Q Actual	Difference vs FY2022/1Q-3Q
Workplace Solutions Business Group	Net Sales	176.1	158.8	+17.3
	Operating Profit <small>(Rate of sales)</small>	9.9 <small>(5.6%)</small>	5.7 <small>(3.6%)</small>	+4.2

Sales by regions

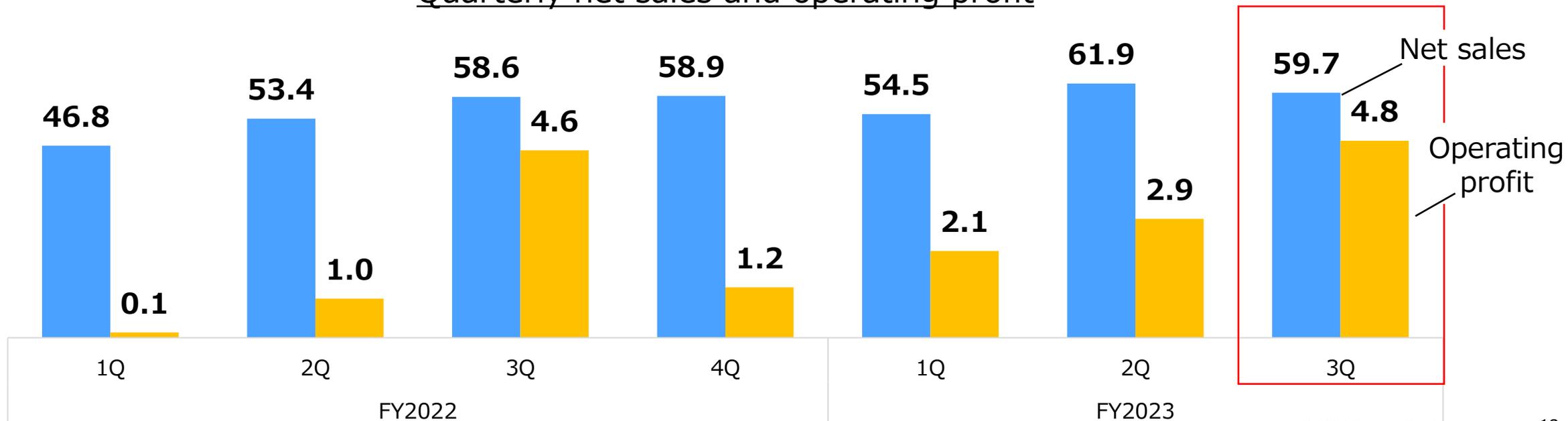


FY2023/1Q-3Q Business Results by Segment (Quarterly)

(Billions of yen)

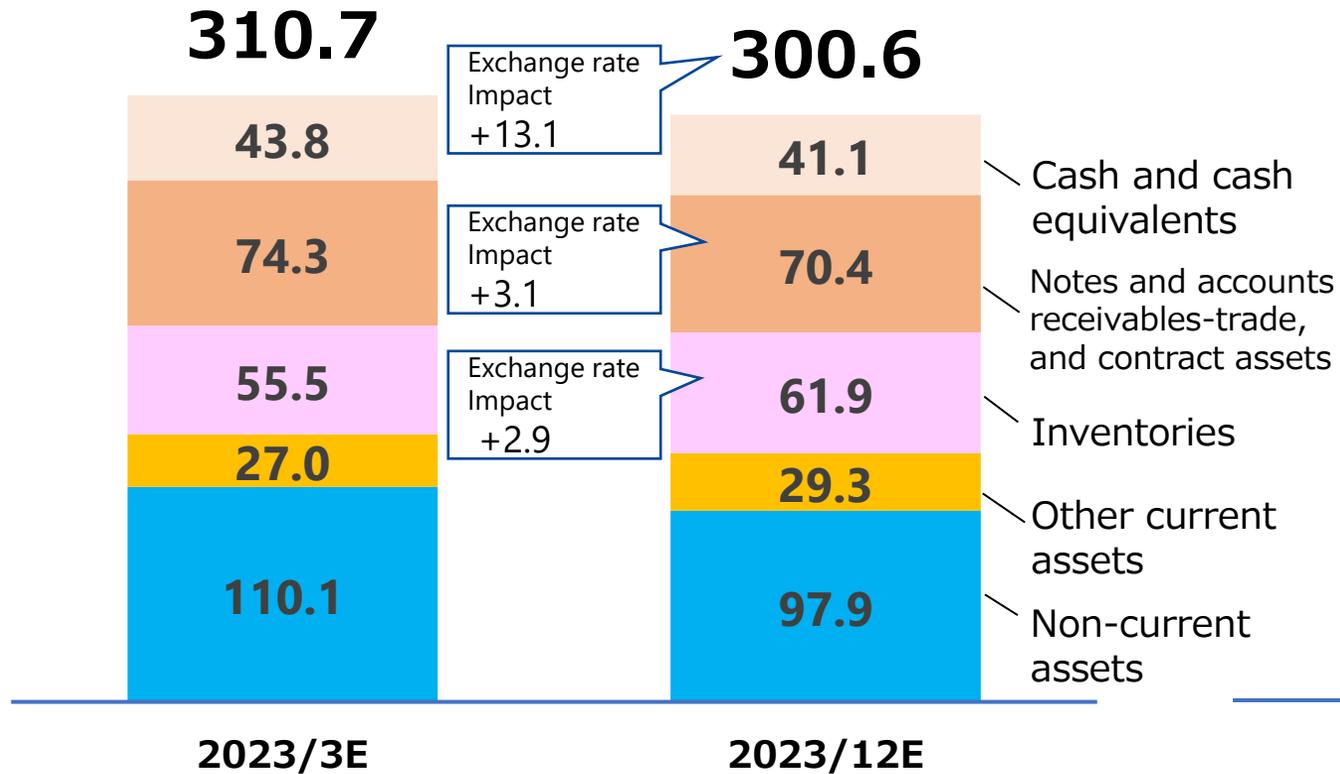
	FY2023/1Q Actual	FY2023/2Q Actual	FY2023/3Q Actual	FY2023/1Q-3Q Actual
Workplace Solutions Business Group				
Net Sales	54.5	61.9	59.7	176.1
Operating Profit	2.1	2.9	4.8	9.9
(Rate of sales)	(3.9%)	(4.7%)	(8.1%)	(5.6%)

Quarterly net sales and operating profit

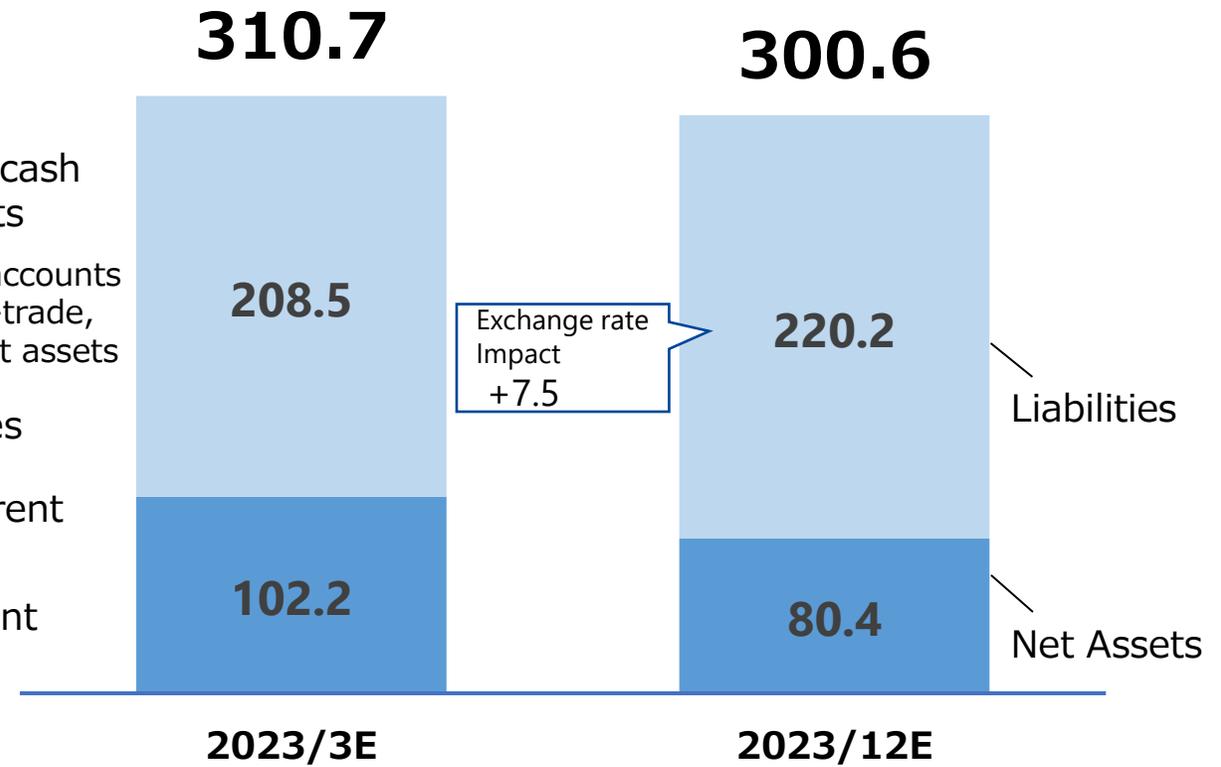


Balance Sheet

Assets

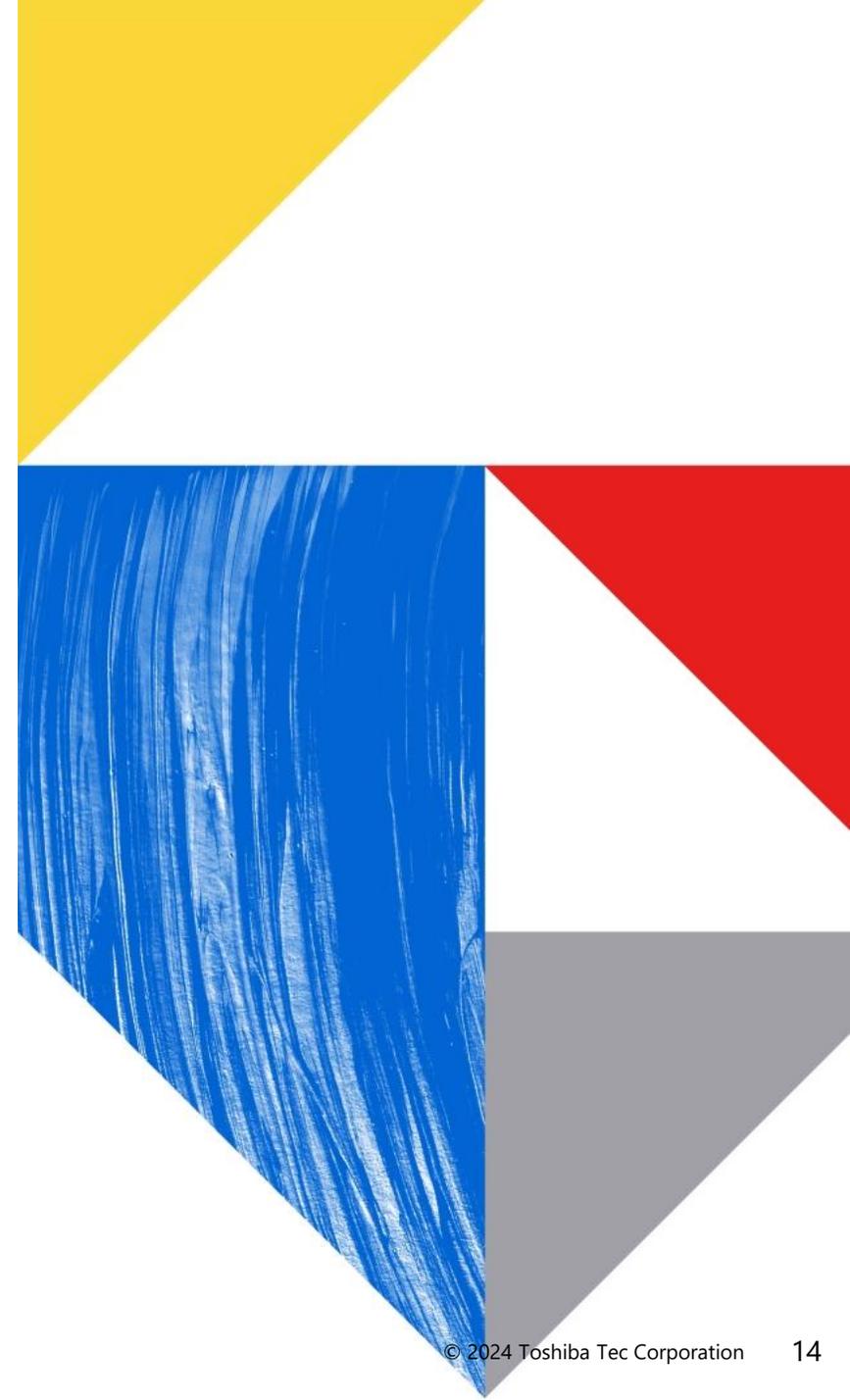


Liabilities and Net Assets (Billions of yen)



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FY2023 Forecast



FY2023 Forecast (Consolidated)

(Billions of yen)

	FY2023 Forecast	FY2023 Prev. Forecast (Nov 13)	FY2022 Actual	Difference	
				vs Prev. Forecast	vs FY2022 Actual
Net Sales	545.0	540.0	510.8	+5.0	+34.2
Operating Profit (Rate of sales)	18.0 (3.3%)	18.0 (3.3%)	16.1 (3.1%)	-	+1.9
Ordinary Profit (Rate of sales)	15.0 (2.8%)	15.0 (2.8%)	13.1 (2.6%)	-	+1.9
Profit/loss Attributable to Owners of Parent (Rate of sales)	0.0 (-%)	7.0 (1.3%)	△13.7 (-%)	△7.0	+13.7
Dividends	45Yen	45Yen	40Yen	-	+5Yen
Foreign Currency Exchange Rate (Yen)	US\$ 142.31*	140.78	135.11	+1.53	+7.20
	EUR 154.03*	151.24	140.86	+2.79	+13.17

*Foreign currency exchange rates of FY2023/4Q forecast are US\$=140.00 yen, EUR=148.00 yen.

FY2023 Forecast by Segment

(Billions of yen)

		FY2023	FY2023	FY2022	Difference	
		Forecast	Prev. Forecast (Nov 13)	Actual	vs Prev. Forecast	vs FY2022 Actual
Retail Solutions Business Group	Net Sales	310.0	310.0	297.0	-	+13.0
	Operating Profit (Rate of sales)	6.5 (2.1%)	9.0 (2.9%)	9.2 (3.1%)	△2.5	△2.7
Workplace Solutions Business Group	Net Sales	240.0	235.0	217.7	+5.0	+22.3
	Operating Profit (Rate of sales)	11.5 (4.8%)	9.0 (3.8%)	6.9 (3.2%)	+2.5	+4.6

FY2023 Operating Profit Outlook (Retail Solutions Business)

Aim for achieving forecasted operating profit for 4Q by securing increased sales due to strong demand in domestic business and reaping major deals in overseas business

(Billions of yen)

	FY2023/3Q Actual	FY2023/4Q Forecast
Retail Solutions Business Group		
Net Sales	74.3	86.0
Operating profit	△ 1.3	6.9
(Rate of sales)	(-%)	(8.0%)

- **Domestic Business** : Increased sales due to strong demand in 4Q
- **Overseas Business** : Increased sales due to concentration of projects in 4Q

Initiatives for FY2024

Aim for further profitability and growth in FY2024 and beyond through business model transformation, investment of resources for growth and optimization of growth investment

Business Model Transformation

- Transfer of the Inkjet Head Business to RISO KAGAKU CORPORATION (July 1, 2024)
- Launch of the MFPs and Auto ID development and manufacturing JV with Ricoh company, Ltd. (July 1, 2024)

Investment of resources for growth

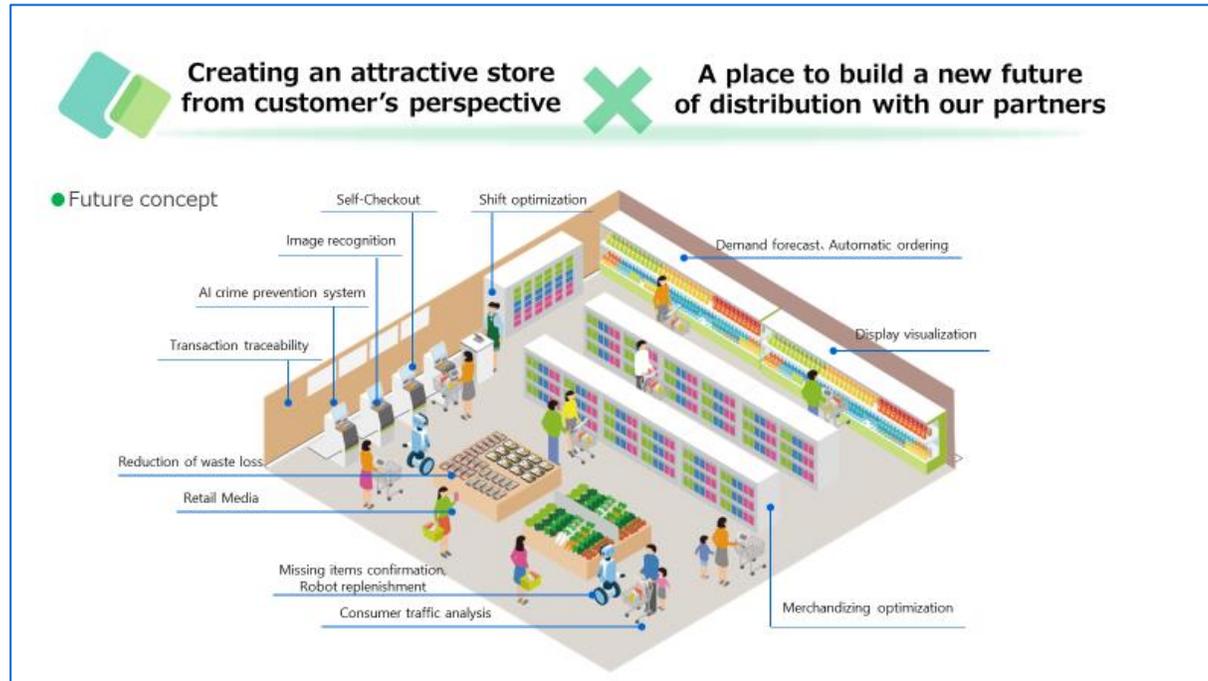
- Accelerate structural transformation toward solutions business
- Secure sales and profit by enhancing solutions development

Optimization of growth investment

- Implement disciplined growth investments by R&D areas
- Improve operational efficiency through DX promotion

Next generation smart store

Toshiba Tec opened next generation store “NEXMART 01 GO”
in Narashino city, Chiba prefecture on Dec 15, 2023



Store overview

Store name : NEXMART 01 GO

Place : Narashino city, Chiba prefecture

Store hours : 24 hours a day, 7 days a week

Store floor space : approximately 250m²

Appendix

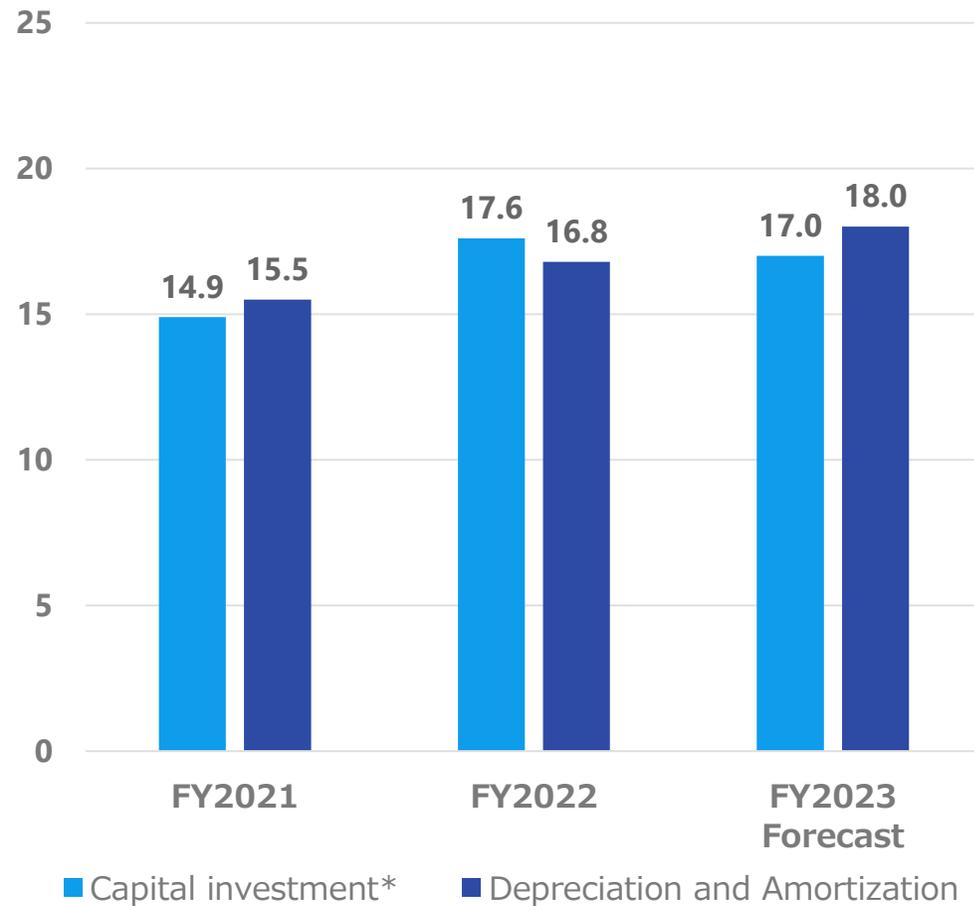
FY2023 Forecast : Impact of Currency Exchange Rate

	Premise Rate	Effect of depreciation by 1 yen	
	FY2023/4Q	Net Sales (Annual)	Operating Profit (Annual)
US\$	140 yen	+ 1.7 billion yen	△0.1 billion yen
EUR	148 yen	+0.3 billion yen	+0.15 billion yen

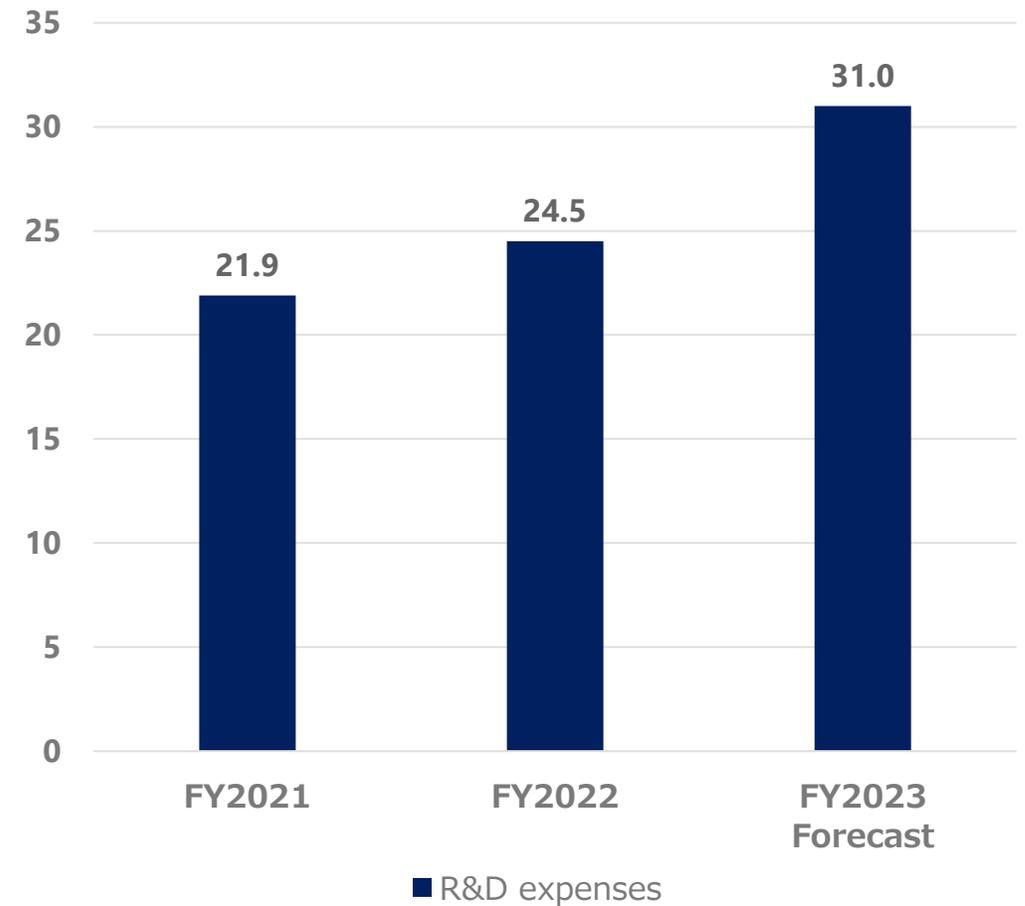
FY2023 Forecast: Capital investment*, Depreciation and Amortization, R&D expenses

(Billions of yen)

Capital investment*, Depreciation and Amortization



R&D expenses



*The increase amount of tangible assets and intangible assets

Forward-looking statements concerning Toshiba Tec's future performance contained in this presentation represent certain reasonable assumptions based on economic, financial and competitive data and information currently available. However, actual results will be affected by the business and competitive environment and may differ materially from forecasts.

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