

TOSHIBA

FY2022 First Six Months Consolidated Business Results

Toshiba Tec Corporation

Nov 10, 2022

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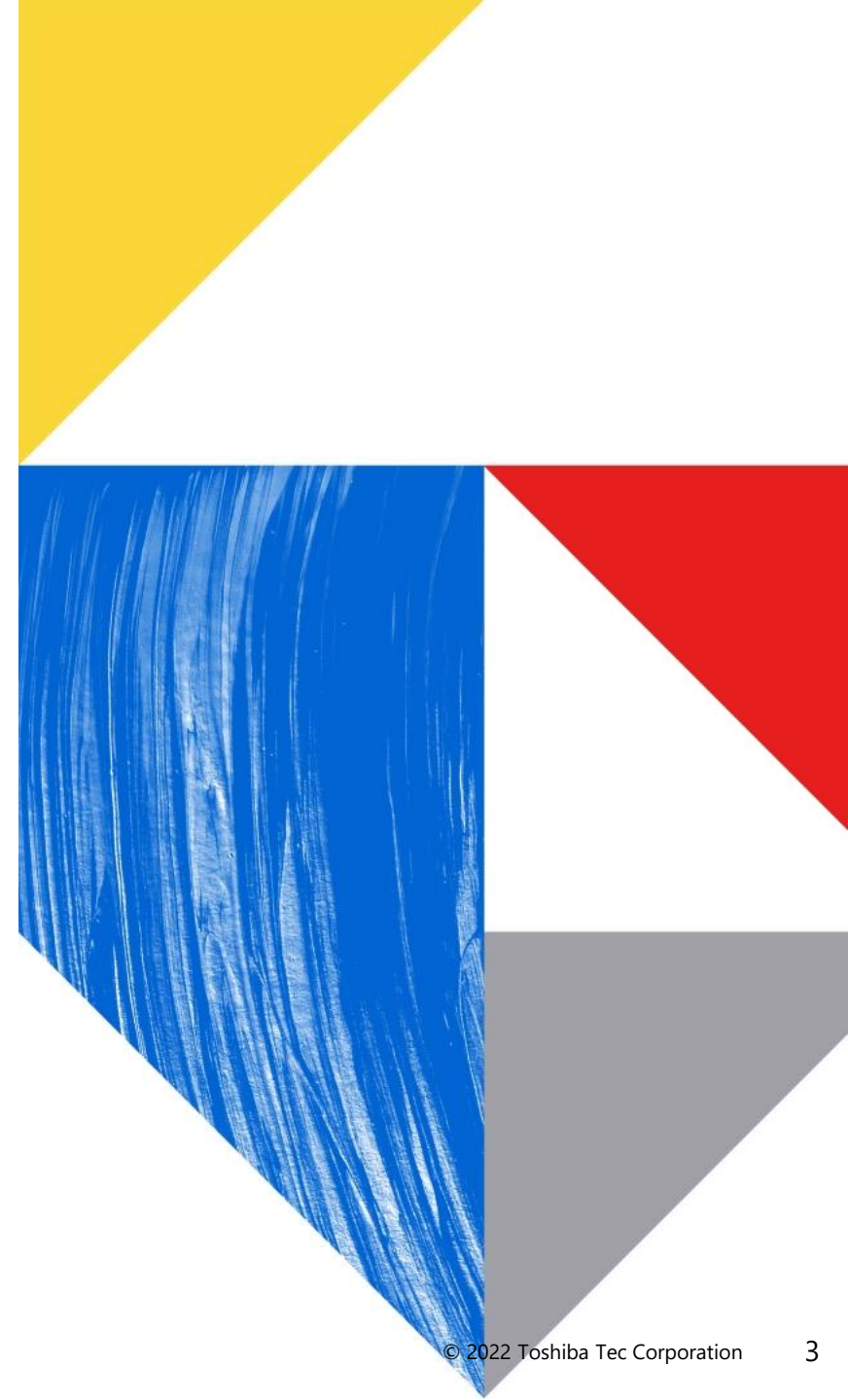
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01

Key Messages



Key Messages

Tight supply of parts and international freight transportation worldwide, and the impact of price hikes associated with them have worsened from the initial forecast

Impact of changes in external environment: Δ 5.2 billion yen in 1H (vs initial forecast: Δ 1.6 billion yen)

Operating income for the first half of FY2022 increased from the same period of the previous year due to improved 2Q performance

Operating income increased by 1.6 billion yen in the first half of FY2022 due to improved performance of overseas retail business in the 2Q, despite the severe external environment

Profit attributable to owners of parent decreased from the same period of the previous year due to non-operating loss and extraordinary loss and fell into red

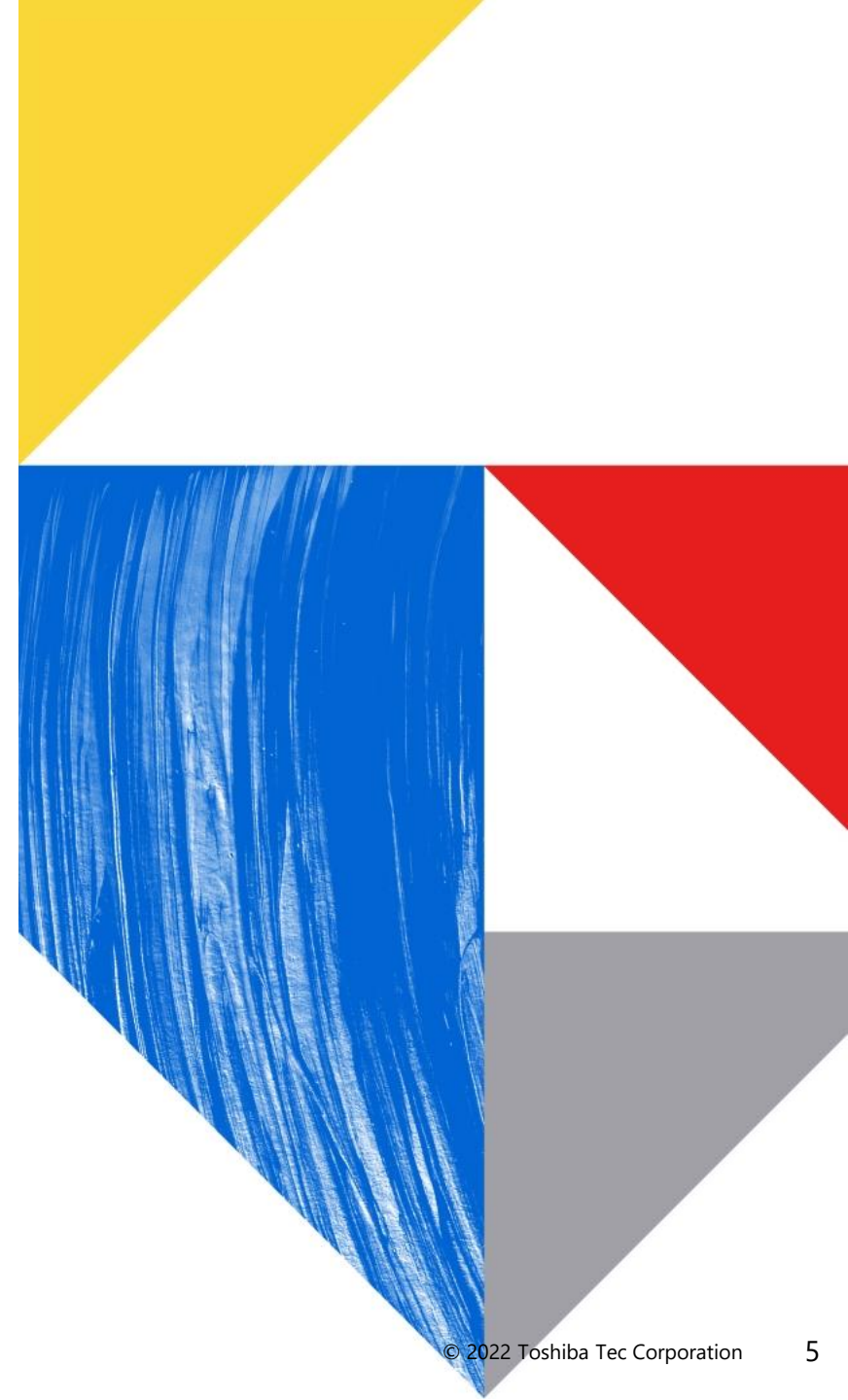
Recorded non-operating loss of Δ 3.2 billion yen and extraordinary loss of Δ 7.0 billion yen due to foreign exchange related expenses caused by rapid yen depreciation, etc.

Annual dividend is 40 yen per share, the same as in FY2021

Despite a net loss in the first half, the company expects a recovery in the second half and plans to pay an interim dividend of ¥20 per share and a year-end dividend of ¥20 per share, for a total of ¥40 per share for FY2022, the same amount as in FY2021

02

FY2022 First Six Months Consolidated Business Results



FY2022 First Six Months Business Results (Consolidated)

(Billions of yen)

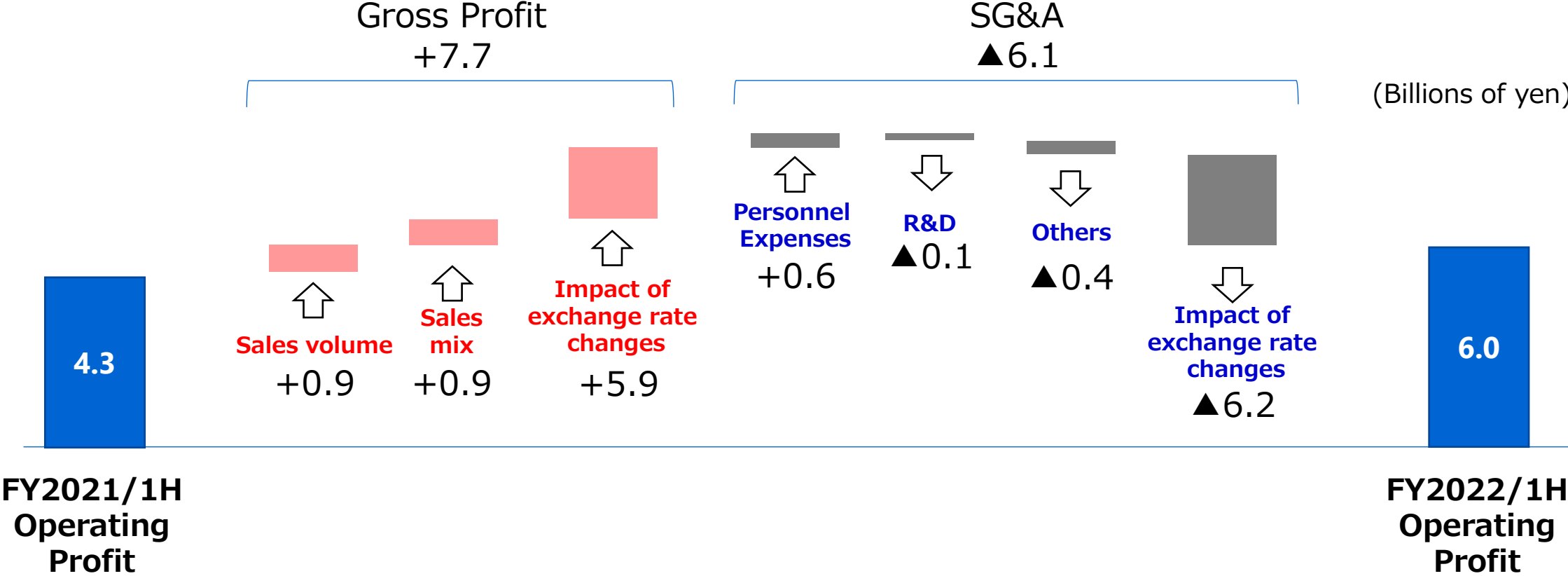
		FY2022/1H Actual	FY2021/1H Actual	Difference vs. FY2021/1H
Net Sales		243.9	217.0	+26.9
Operating Profit		6.0 (2.4%) (Rate of sales)	4.3 (2.0%) (Rate of sales)	+1.6
Ordinary Profit	Exchange-related cost Δ 2.4	2.8 (1.1%) (Rate of sales)	3.1 (1.4%) (Rate of sales)	Δ 0.3
Loss Attributable to Owners of Parent	Extraordinary loss Δ 7.0	Δ 6.4 (-%) (Rate of sales)	2.5 (1.1%) (Rate of sales)	Δ 8.8
Dividend		20 Yen	20 Yen	-
Foreign Currency Exchange Rate (Yen)	US\$	131.59	109.89	+21.70
	EUR	138.21	131.15	+7.06

FY2022 First Six Months Business Results (Consolidated)

(Billions of yen)

		FY2022/1Q Actual	FY2022/2Q Actual	FY2021/2Q Actual	Difference vs. 2Q
Net Sales		109.3	134.6	109.9	+24.7
Operating Profit		0.2	5.8	1.0	+4.8
	(Rate of sales)	(0.2%)	(4.3%)	(0.9%)	
Ordinary Profit		△2.3	5.0	0.3	+4.7
	(Rate of sales)	(-%)	(3.7%)	(0.3%)	
Loss Attributable to Owners of Parent		△2.2	△4.2	△0.2	△4.0
	(Rate of sales)	(-%)	(-%)	(-%)	
Foreign Currency Exchange Rate (Yen)	US\$	126.51	136.62	109.99	+26.63
	EUR	136.75	139.66	130.47	+9.19

Operating Profit Analysis of FY2022/1H

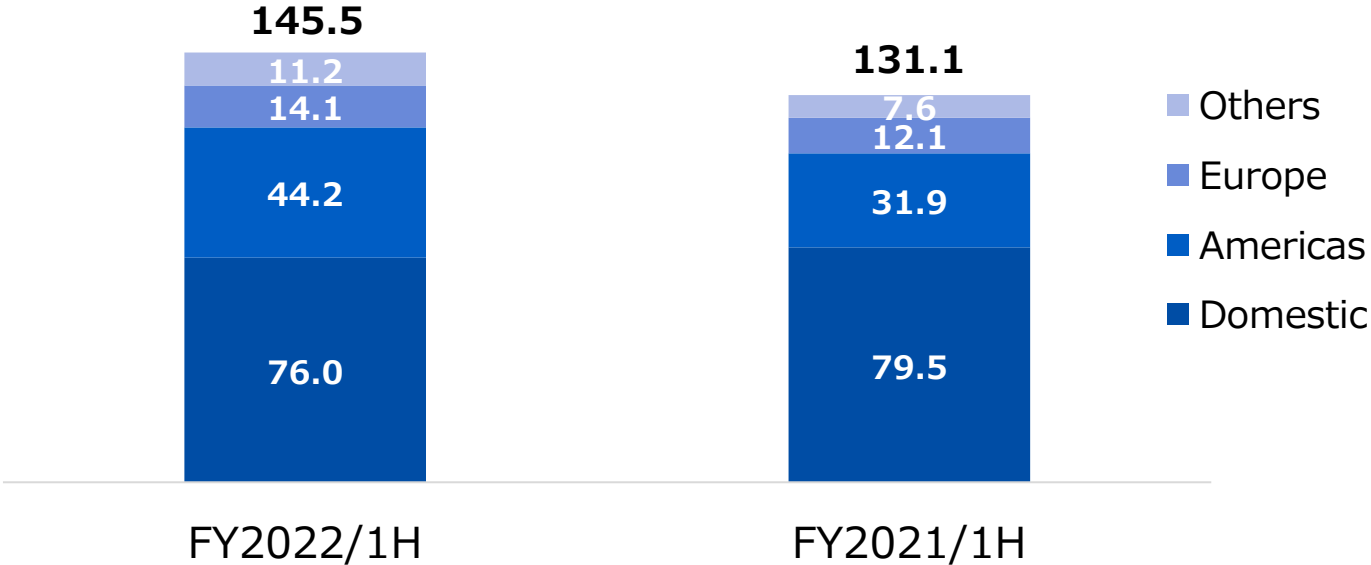


FY2022/1H Business Results by Segment

(Billions of yen)

	FY2022/1H Actual	FY2021/1H Actual	Difference vs. FY2021/1H
Net Sales	145.5	131.1	+14.4
Operating Profit (Rate of sales)	4.9 (3.3%)	5.7 (4.3%)	△0.8

Retail Solutions Business Group

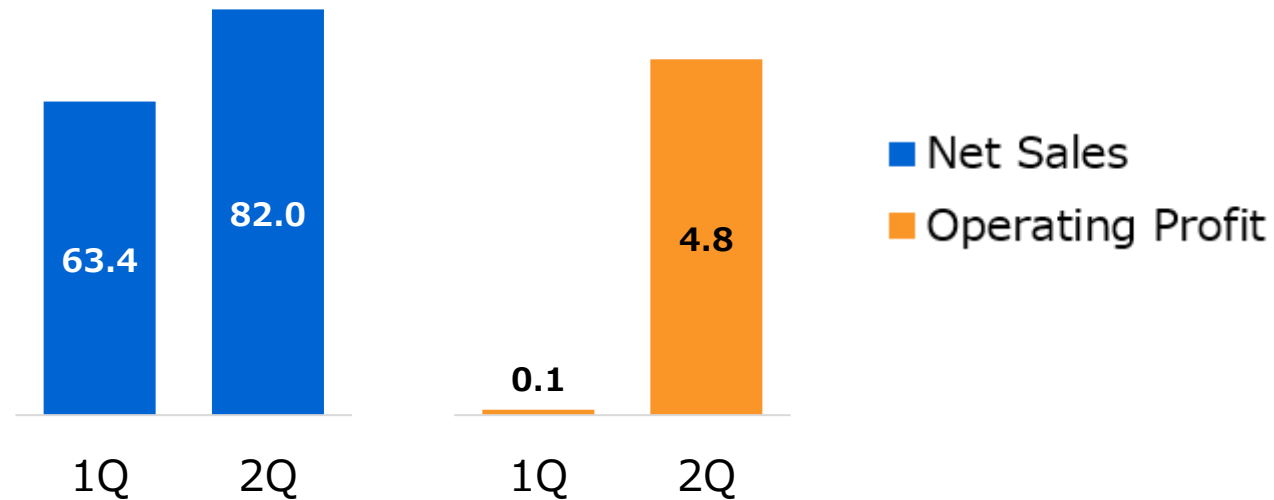


FY2022/1H Business Results by Segment

(Billions of yen)

	FY2022/1Q Actual	FY2022/2Q Actual	FY2021/2Q Actual	Difference vs. 2Q
Net Sales	63.4	82.0	66.2	+15.9
Operating Profit (Rate of sales)	0.1 (0.1%)	4.8 (5.8%)	2.3 (3.4%)	+2.5

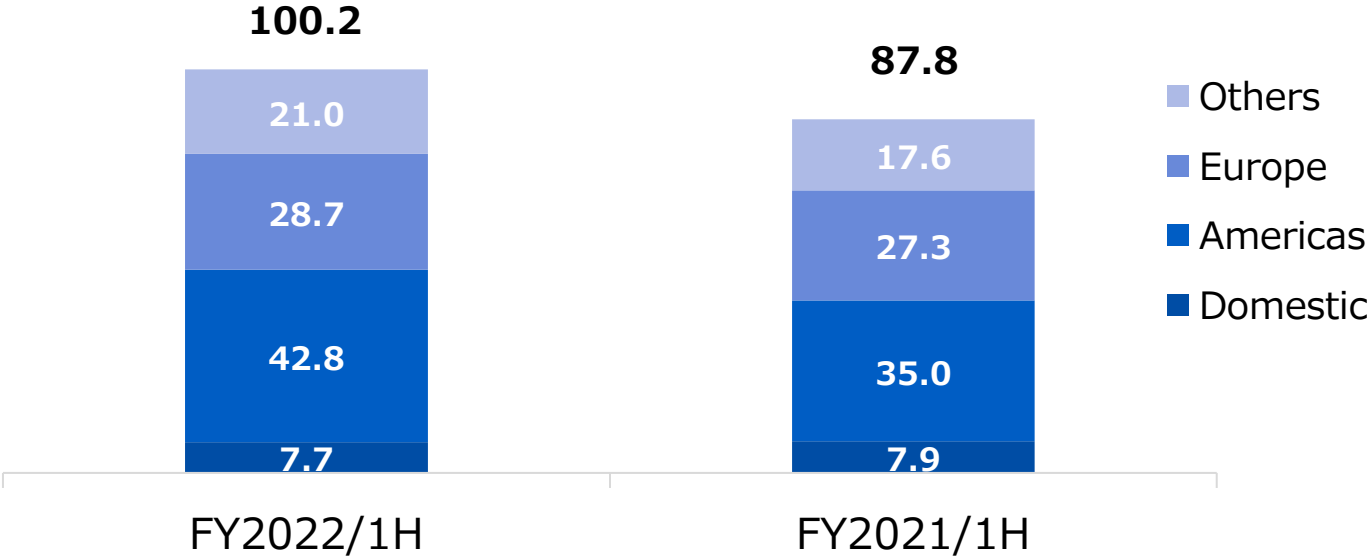
**Retail
Solutions
Business
Group**



FY2022/1H Business Results by Segment

(Billions of yen)

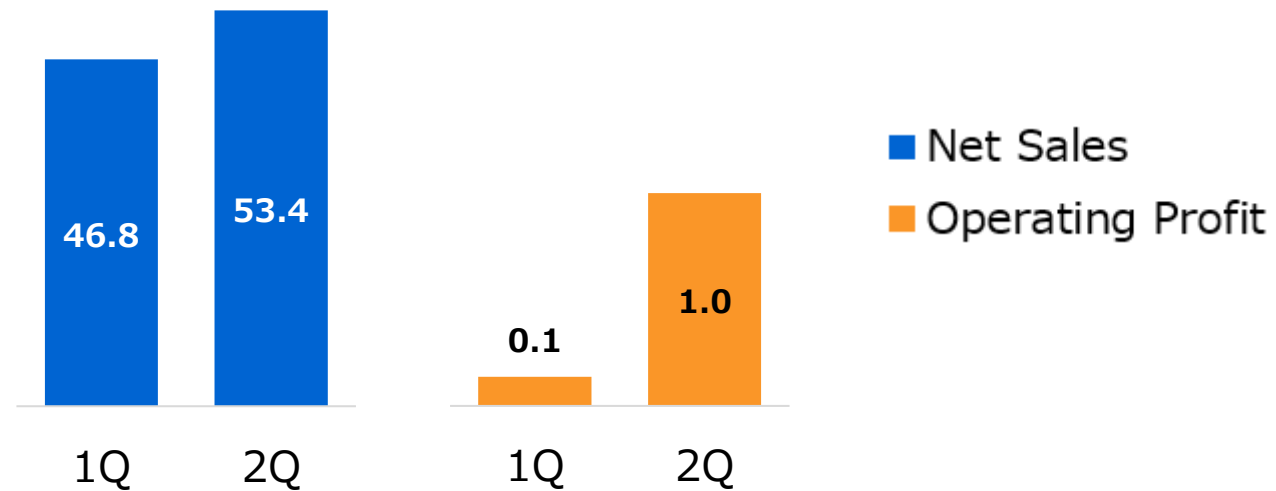
	FY2022/1H Actual	FY2021/1H Actual	Difference vs. FY2021/1H
Workplace Solutions Business Group			
Net Sales	100.2	87.8	+12.3
Operating Profit (Rate of sales)	1.1 (1.1%)	\triangle 1.4 (-%)	+2.5



FY2022/1H Business Results by Segment

(Billions of yen)

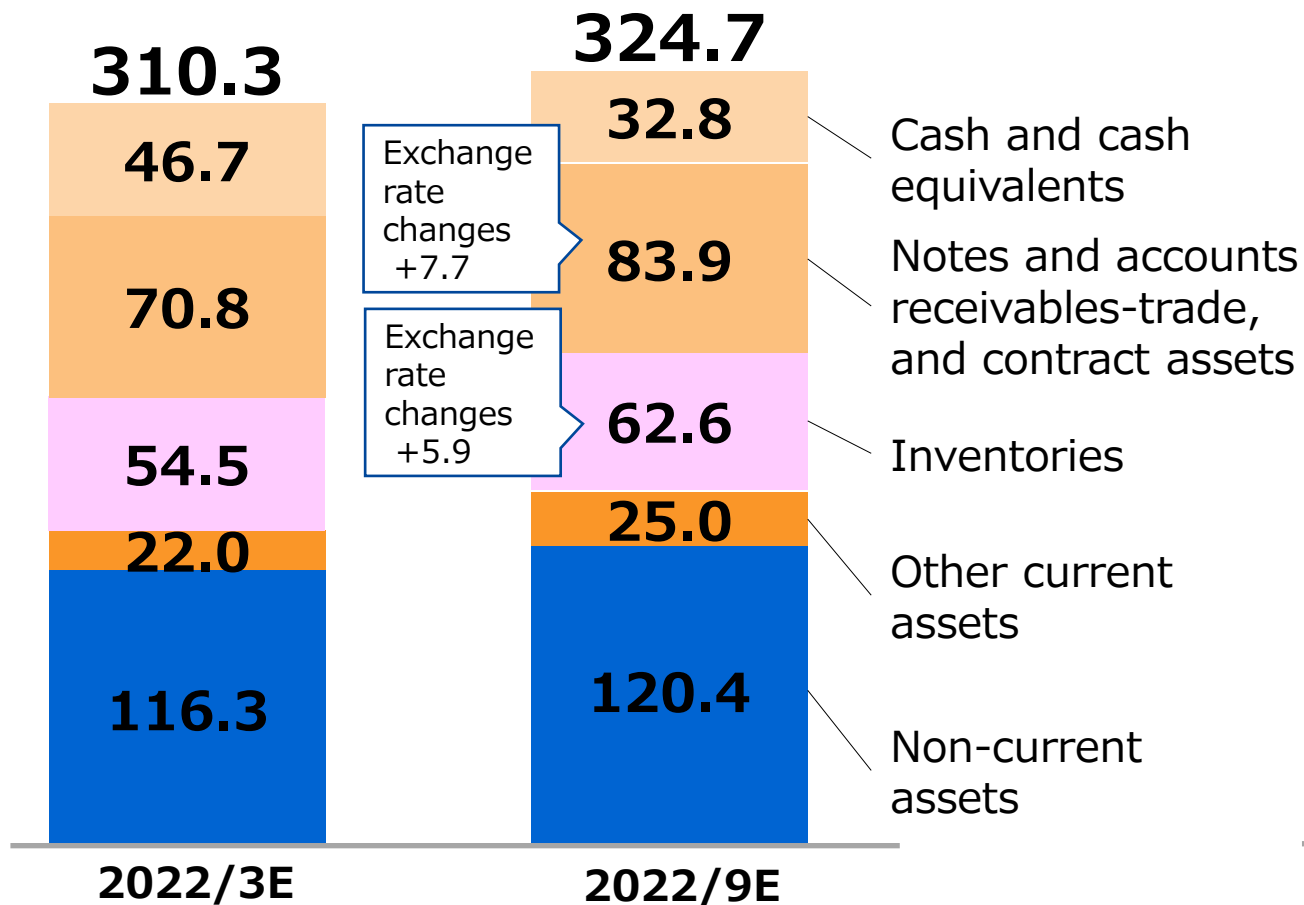
	FY2022/1Q Actual	FY2022/2Q Actual	FY2021/2Q Actual	Difference vs. 2Q
Workplace Solutions Business Group	Net Sales	46.8	44.7	+8.7
	Operating Profit (Rate of sales)	0.1 (0.3%)	1.0 (1.8%)	+2.2 (-%)



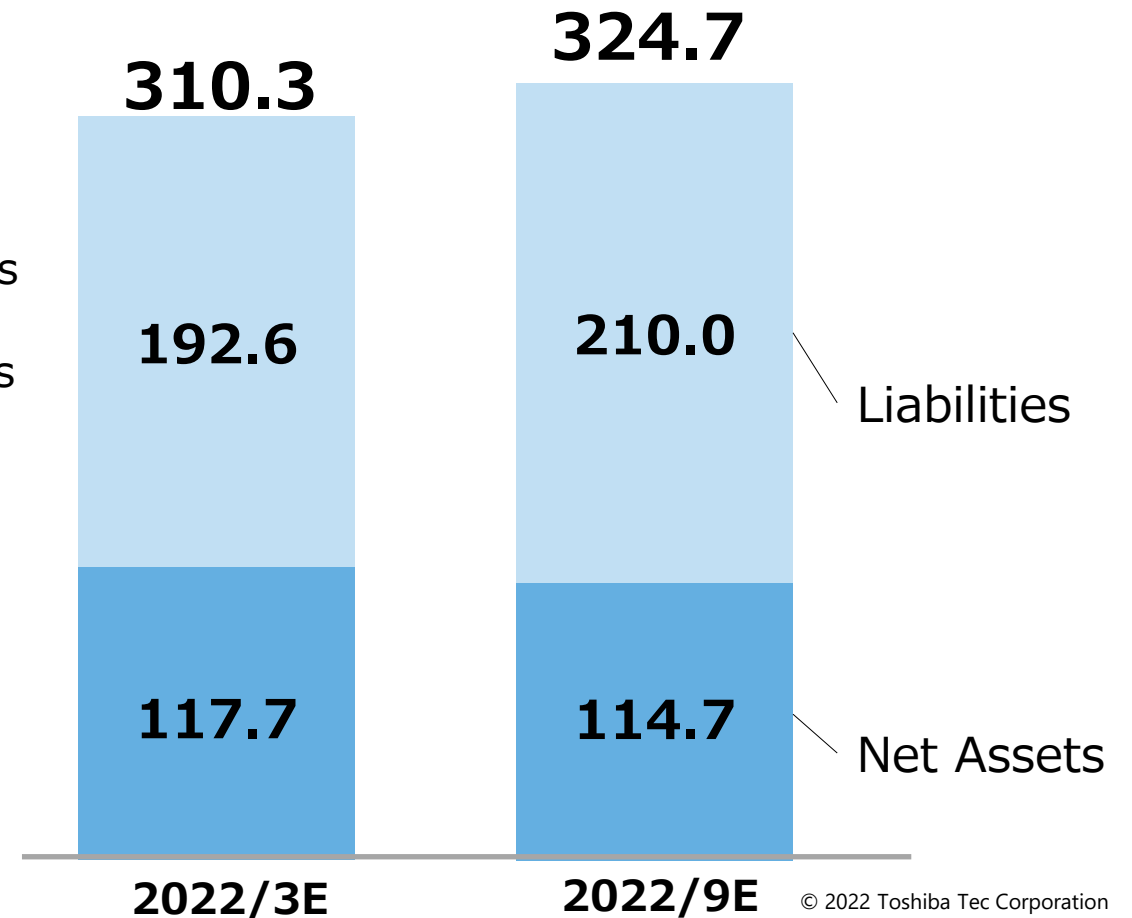
Balance Sheet

Shareholders' equity decreased due to the recording of a net loss for the quarter, and the equity ratio decreased slightly

Assets



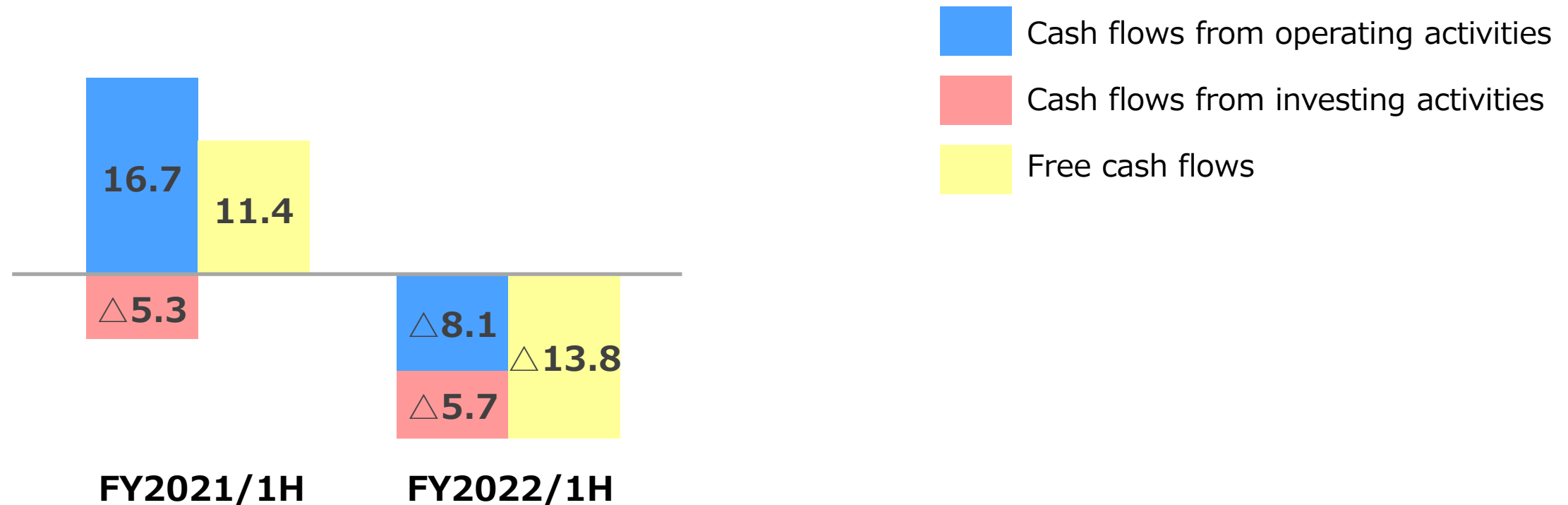
Liabilities and Net Assets (Billions of yen)



FY2022/1H Cash Flows

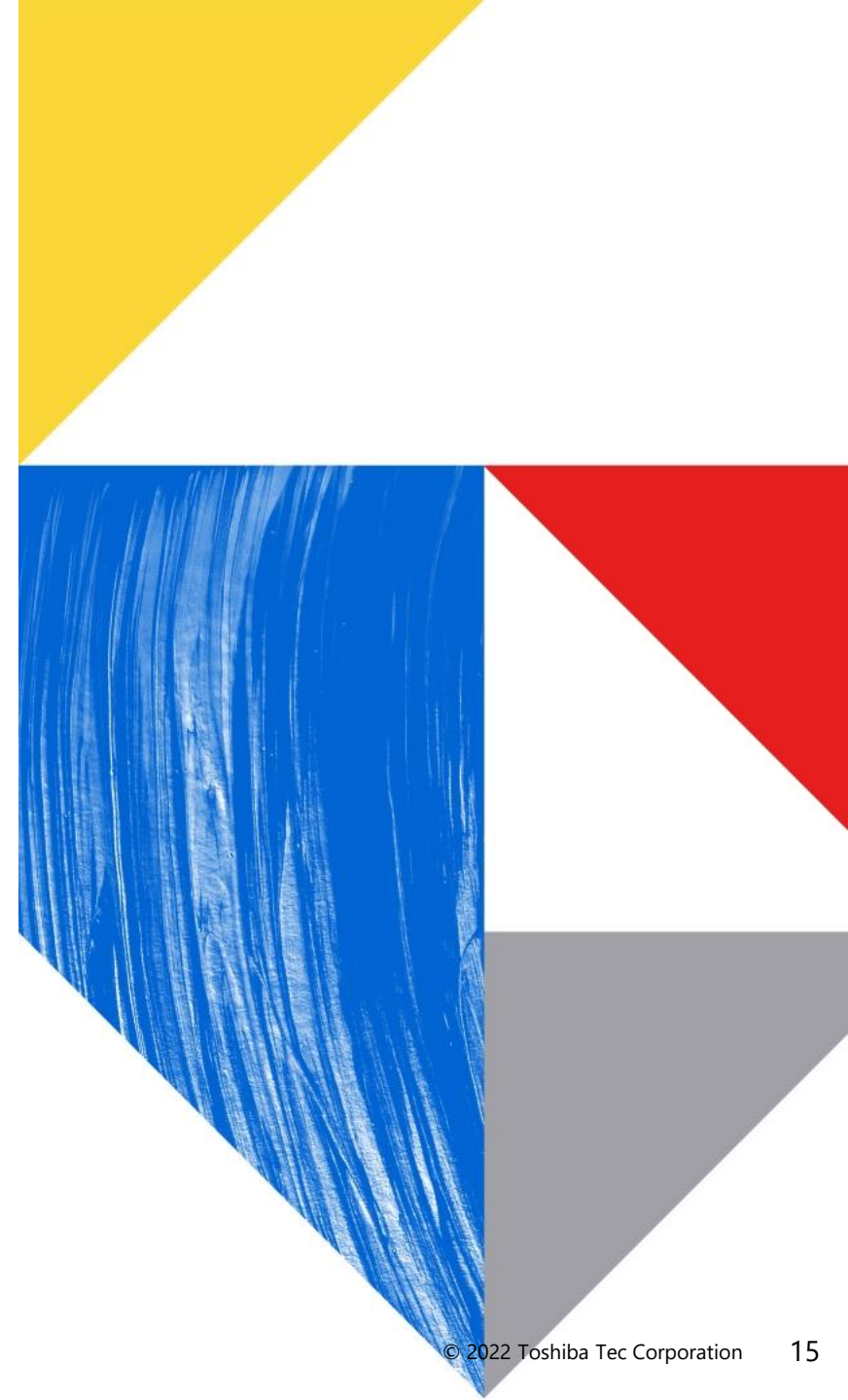
Negative free cash flow due to deterioration in operating cash flow

(Billions of yen)



03

FY2022 Forecast



FY2022 Forecast (Consolidated)

(Billions of yen)

		FY2022 Forecast 【1H/2H】	FY2022 Prev. Forecast (May 11)	FY2021 Actual 【1H/2H】	Difference	
					vs. Previous Forecast	vs. FY2021 Actual
Net Sales		520.0 【243.9/276.1】	450.0	445.3 【217.0/228.3】	+70.0	+74.7
Operating Profit (Rate of sales)		14.0 【6.0/8.0】 (2.7%)	18.0 (4.0%)	11.6 【4.3/7.2】 (2.6%)	△4.0	+2.4
Ordinary Profit (Rate of sales)		10.0 【2.8/7.2】 (1.9%)	15.5 (3.4%)	10.2 【3.1/7.1】 (2.3%)	△5.5	△0.2
Profit/loss Attributable to Owners of Parent (Rate of sales)		△2.5 【△6.4/3.9】 (-%)	8.0 (1.8%)	5.4 【2.5/2.9】 (1.2%)	△10.5	△7.9
Dividend		40Yen 【20Yen/20Yen】	50Yen	40Yen 【20Yen/20Yen】	△10Yen	-
Foreign Currency	US\$	136.19*	120.00	112.05	+16.19	+24.14
Exchange Rate (Yen)	EUR	137.23*	135.00	130.54	+2.23	+6.69

* Foreign currency exchange rates of FY2022/2H forecast are US\$=140 yen, EUR=135 yen.

FY2022 Forecast by Segment

(Billions of yen)

		FY2022	FY2022	FY2021	Difference	
		Forecast 【1H/2H】	Prev. Forecast (May 11)	Actual 【1H/2H】	vs. Previous Forecast	vs. FY2021 Actual
Retail Solutions Business Group	Net Sales	297.0 【145.5/151.5】	265.0	267.0 【131.1/135.9】	+32.0	+30.0
	Operating Profit (Rate of sales)	10.0 【4.9/5.1】 (3.4%)	11.5 (4.3%)	10.6 【5.7/4.9】 (4.0%)	Δ 1.5	Δ 0.6
Workplace Solutions Business Group	Net Sales	228.0 【100.2/127.8】	195.0	182.1 【87.8/94.3】	+33.0	+45.9
	Operating Profit (Rate of sales)	4.0 【1.1/2.9】 (1.8%)	6.5 (3.3%)	1.0 【 Δ 1.4/2.3】 (0.5%)	Δ 2.5	+3.0

Further expansion of partnership strategy

Toshiba Tec, Digital Garage and Kakaku.com signed LOI to promote DX in the food service and retail industries
The first step - "OrderLinkage" X "Tabelog Order"

 **Digital Garage Group** × **Toshiba Tec Corporation**

 **食べログオーダー**
Tabelog Order



**Toshiba Tec
OrderLinkage**

Further expansion of partnership strategy

Provide consumers with “a convenient shopping experience” by spreading Cart POS in the world by making use of assets of Toshiba Tec and Retail AI of the Trial Group

Environmental changes

Labor shortage, wage increase and diversified needs of consumers

Retailers' issues

- Improved efficiency of store operations
- Creating new customer experiences that enhance store attractiveness



Smart Shopping Cart & ELERA

Collaboration Policy

Maximize the two companies' assets by collaborating ELERA with Smart Shopping Cart (SSC) developed by Retail AI

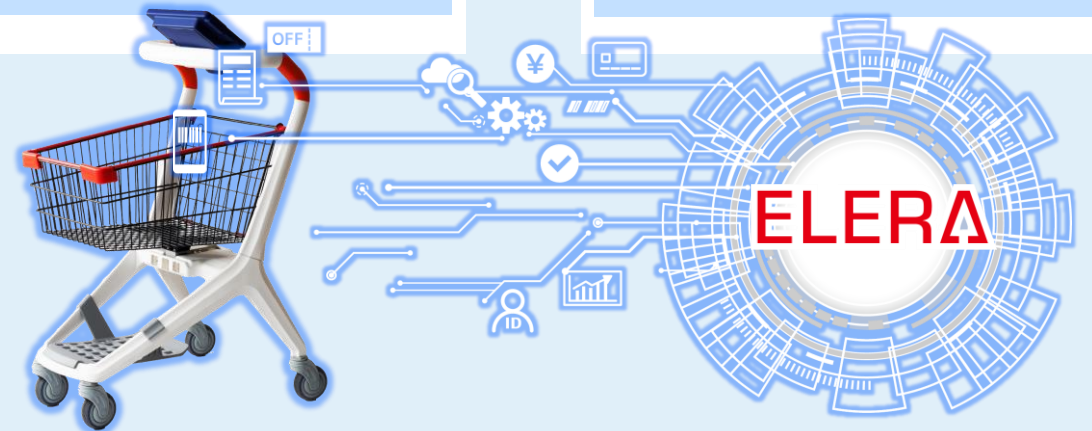
Retail Ai

- Improved operational efficiency and monetization know-how by SSC

&

TEC
WILL makes Value

- Top share customer network
- Support system from installation to maintenance



Promotion of global strategy

**Opened Innovation & Incubation hub in the U.S.
to expand suite of new solutions with ELERA at the core**

Overview of the U.S. Office

Start : Autumn 2022

Address : 3201 Dallas Parkway, Frisco, Texas, U.S.

The greater Dallas Area is a growing software development market

**Activities : Business development related to ELERA
Microservices and cloud related development for
future SaaS business**

*SaaS (Software as a Service) :

service that enables the use of cloud-based software and applications via the Internet



Photo Credit: Robert Tsai Photography.

Strategy

- Accelerate the company's growth strategy through investments in cloud development, computer vision and retail IoT
- Increase the company's commitment to technology partnerships to incubate new retail innovation
- Broaden capital investments, including a new team dedicated to mergers & acquisition

Membership of "Smart Receipt®" electronic receipt service exceeded 1 million!

Reached 1 million members on October 26, 2022

News Release **TOSHIBA**

2022年10月27日

東芝テック株式会社
東芝データ株式会社

電子レシートサービス「スマートレシート®」
会員数 100 万人を突破!



スマートレシート
会員数
100万人
突破!

東芝テック株式会社（本社：東京都品川区、代表取締役社長：錦織弘信、以下「東芝テック」）が開発、運営し、東芝データ株式会社（本社：東京都港区、代表取締役 CEO：北川浩昭、以下「東芝データ」）が運営を支援している電子レシートサービス「スマートレシート®」について、会員数が2022年10月26日に100万人を突破しました。

「スマートレシート®」は、会計時に通常は紙で提供される購入商品の明細レシートを電子化し、電子レシートセンターでデータとして管理、提供するサービスです。利用者はスマートフォンからいつでも購入履歴の確認・管理ができ、買い物における利便性の向上につながるのと同時に、導入店舗では紙レシートの発行コストや環境負荷を低減することが可能です。

「スマートレシート®」は新型コロナウイルス感染症拡大による非接触ニーズの増加や社会のDX推進等に後押しされ、この2年で会員数が約3.4倍と急速に普及拡大し、加盟店は363社、12,111店舗に上っています。（2022年10月26日現在）

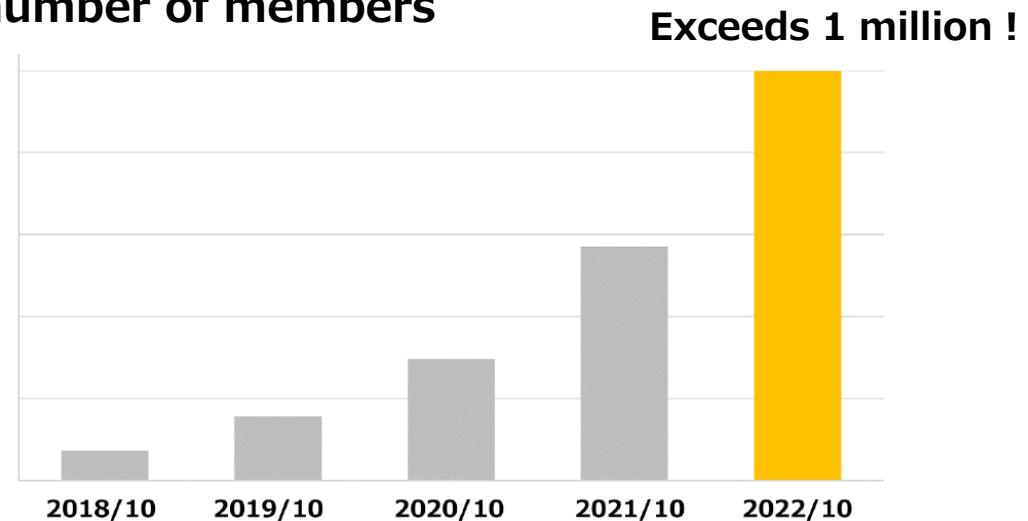
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Rapid growth in membership due to increased demand of non-contact against the spread of new coronavirus infections and increasing social demand for DX promotion, etc.,

- Membership has increased approximately 3.4 times in the last two years
- Member stores 363 companies, 12,111 stores (as of October 26, 2022)

Smart receipt : Change in number of members

1 million people
800,000 people
600,000 people
400,000 people
200,000 people



Appendix

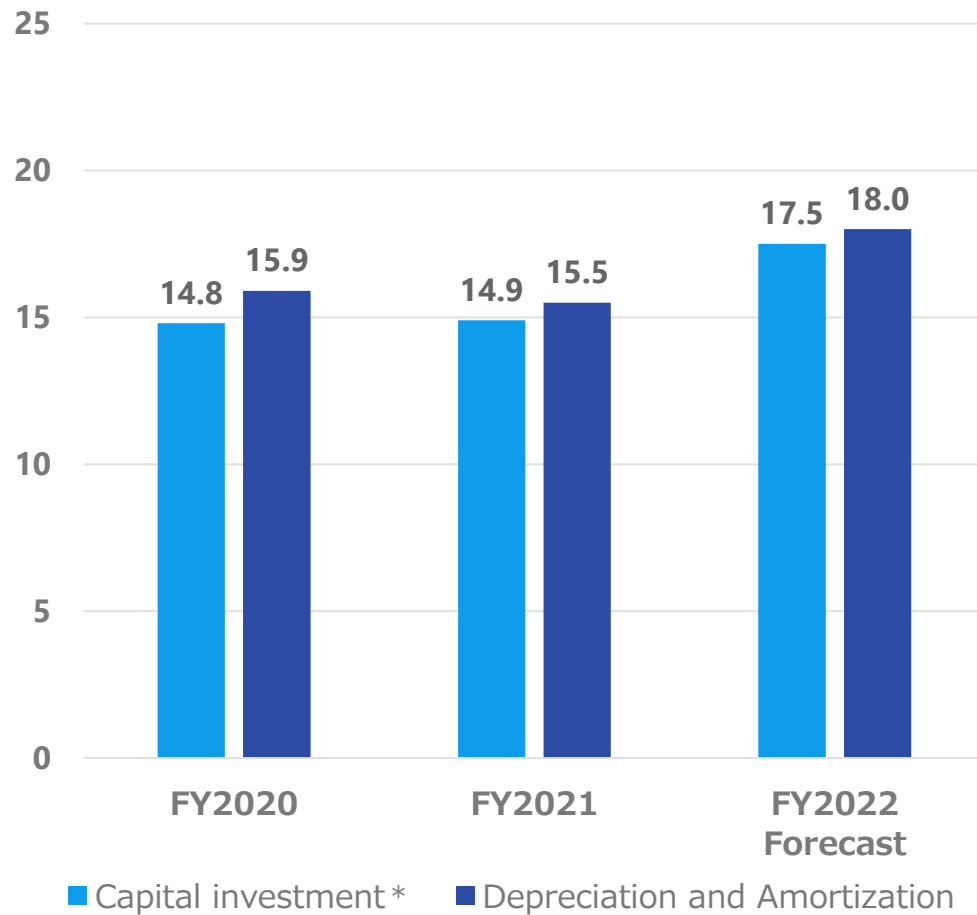
FY2022 Forecast : Impact of Currency Exchange Rate

	Premise Rate	Effect of depreciation by 1 yen	
	2023/3E (2H)	Net Sales (Annual)	Operating Profit (Annual)
US\$	140 yen	+1.7 billion yen	△0.1 billion yen
EUR	135 yen	+0.3 billion yen	+0.1 billion yen

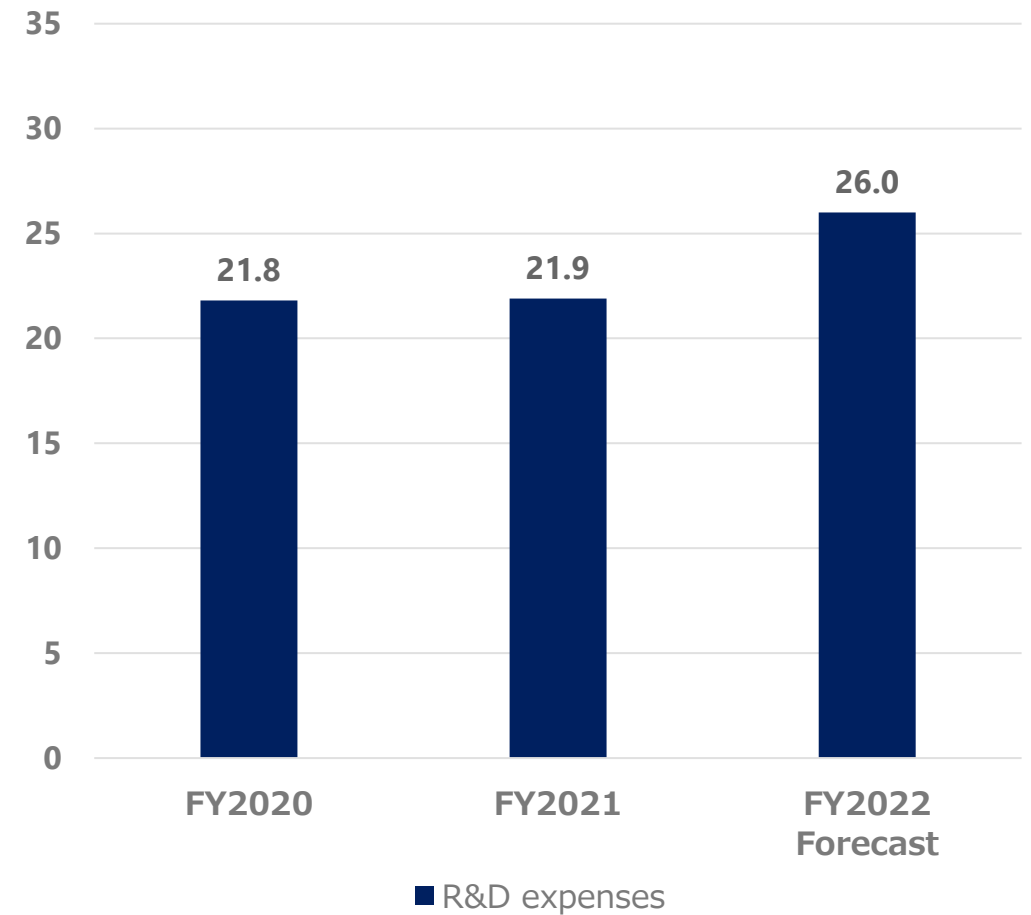
FY2022 Forecast: Capital investment*, Depreciation and Amortization, R&D expenses

(Billions of yen)

Capital investment*, Depreciation and Amortization



R&D expenses



*Increase in property, plant and equipment 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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