

TOSHIBA

Leading Innovation >>>

FY2015 First Six Months Consolidated Business Results

TOSHIBA TEC CORPORATION

November 5, 2015

1. FY2015 First Six Months Consolidated Business Results

2. FY2015 Forecasts

Key Points of FY2015 First Six Months Business Results

- ✓ Decrease in profit compared with the previous year primarily due to the underperformance of overseas retail business (GCS).
- ✓ Impairment loss of 66 billion yen as a result of the recoverability test for fixed assets and goodwill related to the acquired business of overseas retail business (GCS).

- **Net Sales: 264.1 billion yen (YoY: +7.9 billion yen)**
Increased by 3% compared with the previous year primarily due to increases in the overseas printing business and foreign currency exchange gains.
- **Operating Loss: Δ 0.5 billion yen (YoY: Δ 12.7 billion yen)**
Decreased by 12.7 billion yen compared with the previous year due to G/M reduction in overseas retail business and the continuous increase in operating transition costs respectively.
- **Loss attributable to owners of parent: Δ 74.1 billion yen (YoY: Δ 79.2 billion yen)**
Resulted in 74.1 billion yen net loss primarily due to the impairment loss of GCS.
- **Downward revision of the FY2015 forecast:**
Net sales decreased by 25 billion yen to 530 billion yen and O/I by 13.0 billion yen to 6.0 billion yen and the loss attributable to owners of parent by 82.0 billion yen to negative of 79.0 billion yen.
- **Dividend**
The annual dividend was adjusted to 0 yen per share from 4 yen previously forecasted.

(Note) GCS: Toshiba Global Commerce Solutions

FY2015 First Six Months Results

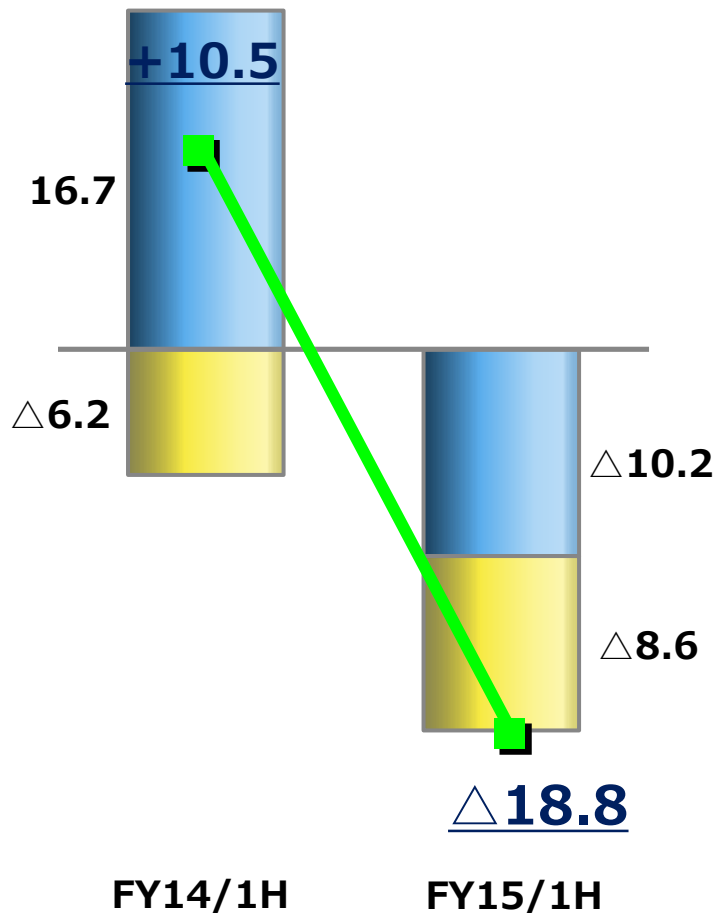
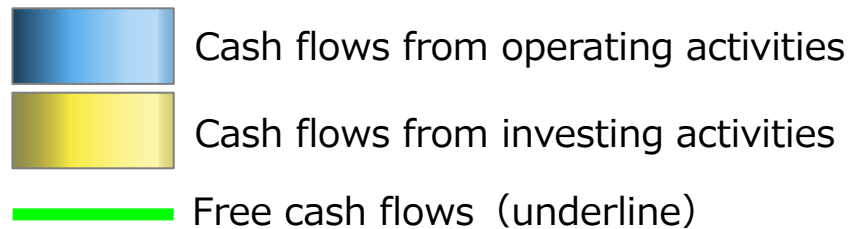
(Billions of Yen)		FY15/1H	FY15/1H	FY14/1H	Difference	
		Actual	Forecast	Actual	vs. FY15/1H FC	vs. FY14/1H
Net Sales		264.1	270.0	256.3	△5.9	+7.9
(Growth rate)					98%	103%
Operating Income (Loss)		△0.5	4.5	12.2	△5.0	△12.7
(Rate of sales)		(△0.2%)	(1.7%)	(4.8%)	(△1.9%)	(△5.0%)
Ordinary Income (Loss)		△2.3	3.0	9.9	△5.3	△12.3
(Rate of sales)		(△0.9%)	(1.1%)	(3.9%)	(△2.0%)	(△4.8%)
Income (Loss) before income taxes and minority interests		△69.7		9.4		△79.0
(Rate of sales)		(△26.4%)		(3.6%)		(△30.0%)
Profit (Loss) attributable to owners of parent		△74.1	△3.0	5.1	△71.1	△79.2
(Rate of sales)		(△28.0%)	(△1.1%)	(2.0%)	(△26.9%)	(△30.0%)
Foreign currency exchange rate	US\$	121.76	120.00	102.52	+1.76	+19.24
	EUR	134.55	130.00	139.10	+4.55	△4.55

FY2015 First Six Months Results by Segment

	(Billions of yen)	FY15/1H Actual	FY14/1H Actual	Difference vs. FY14/1H
Retail Solutions Business Group	Net Sales (Growth rate)	157.5	160.8	△3.3 98%
	Operating Income(Loss) (Rate of Sales)	△7.2 (△4.6%)	5.2 (3.2%)	△12.4 (△7.8%)
	Net Sales (Growth rate)	112.8	101.8	+11.0 111%
Printing Solutions Business Group	Operating Income (Rate of Sales)	6.7 (5.9%)	7.0 (6.9%)	△0.3 (△1.0%)
	Net Sales (Growth rate)	264.1	256.3	+7.9 103%
Consolidated Total	Operating Income(Loss) (Rate of Sales)	△0.5 (△0.2%)	12.2 (4.8%)	△12.7 (△5.0%)

Cash Flows

Billions of yen



◆ Cash Flows from operating activities:
Decreased by 26.9 billion yen due to the drop of profit and the deterioration of working capital.

◆ Cash Flows from investing activities:
Decreased by 2.4 billion yen due to the payment to acquire tools and equipment for new products, and the payment to acquire the shares of overseas distributors.

1. FY2015 First Six Months Consolidated Business Results

2. FY2015 Forecasts

FY2015 Forecast, Overall

(Billions of Yen)		FY15 Forecast	FY15 Forecast (Aug 4 th)	FY14 Actual	Difference	
					vs. FY15 FC (Aug 4 th)	vs. FY14
Net Sales		530.0	555.0	525.3	△25.0	+4.7
	(Growth rate)				95%	101%
Operating Income		6.0	19.0	18.7	△13.0	△12.7
	(Rate of sales)	(1.1%)	(3.4%)	(3.6%)	(△2.3%)	(△2.5%)
Ordinary Income		2.0	16.0	12.0	△14.0	△10.0
	(Rate of sales)	(0.4%)	(2.9%)	(2.3%)	(△2.5%)	(△1.9%)
Profit (Loss) attributable to owners of parent		△79.0	3.0	△0.3	△82.0	△78.7
	(Rate of sales)	(△14.9%)	(0.5%)	(△0.1%)	(△15.4%)	(△14.8%)
Foreign currency exchange rate	US\$	120.00	120.00	109.16	±0	+10.84
	EUR	132.00	130.00	139.43	+2.00	△7.43

FY2015 Forecast by Segment

	(Billions of yen)	FY15 Forecast	FY15 Forecast (Aug 4 th)	FY14 Actual	Difference	
					vs. FY15 (Aug 4 th)	vs. FY14
Retail Solutions Business Group	Net Sales	319.0	341.0	325.1	△22.0	△6.1
	(Growth rate)				94%	98%
	Operating Income(Loss)	△7.0	4.7	1.3	△11.7	△8.3
	(Rate of Sales)	(△2.2%)	(1.4%)	(0.4%)	(△3.6%)	(△2.6%)
Printing Solutions Business Group	Net Sales	227.0	234.0	213.1	△7.0	+13.9
	(Growth rate)				97%	107%
	Operating Income	13.0	14.3	17.4	△1.3	△4.4
	(Rate of Sales)	(5.7%)	(6.1%)	(8.2%)	(△0.4%)	(△2.5%)
Consolidated Total	Net Sales	530.0	555.0	525.3	△25.0	+4.7
	(Growth rate)				95%	101%
	Operating Income	6.0	19.0	18.7	△13.0	△12.7
	(Rate of Sales)	(1.1%)	(3.4%)	(3.6%)	(△2.3%)	(△2.5%)

Human Smart Community

by Lifenology – the technology life requires



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.

TOSHIBA
Leading Innovation >>>

TOSHIBA TEC CORPORATION