

TOSHIBA

FY2021 First Six Months Consolidated Business Results

Toshiba Tec Corporation

Nov 8, 2021

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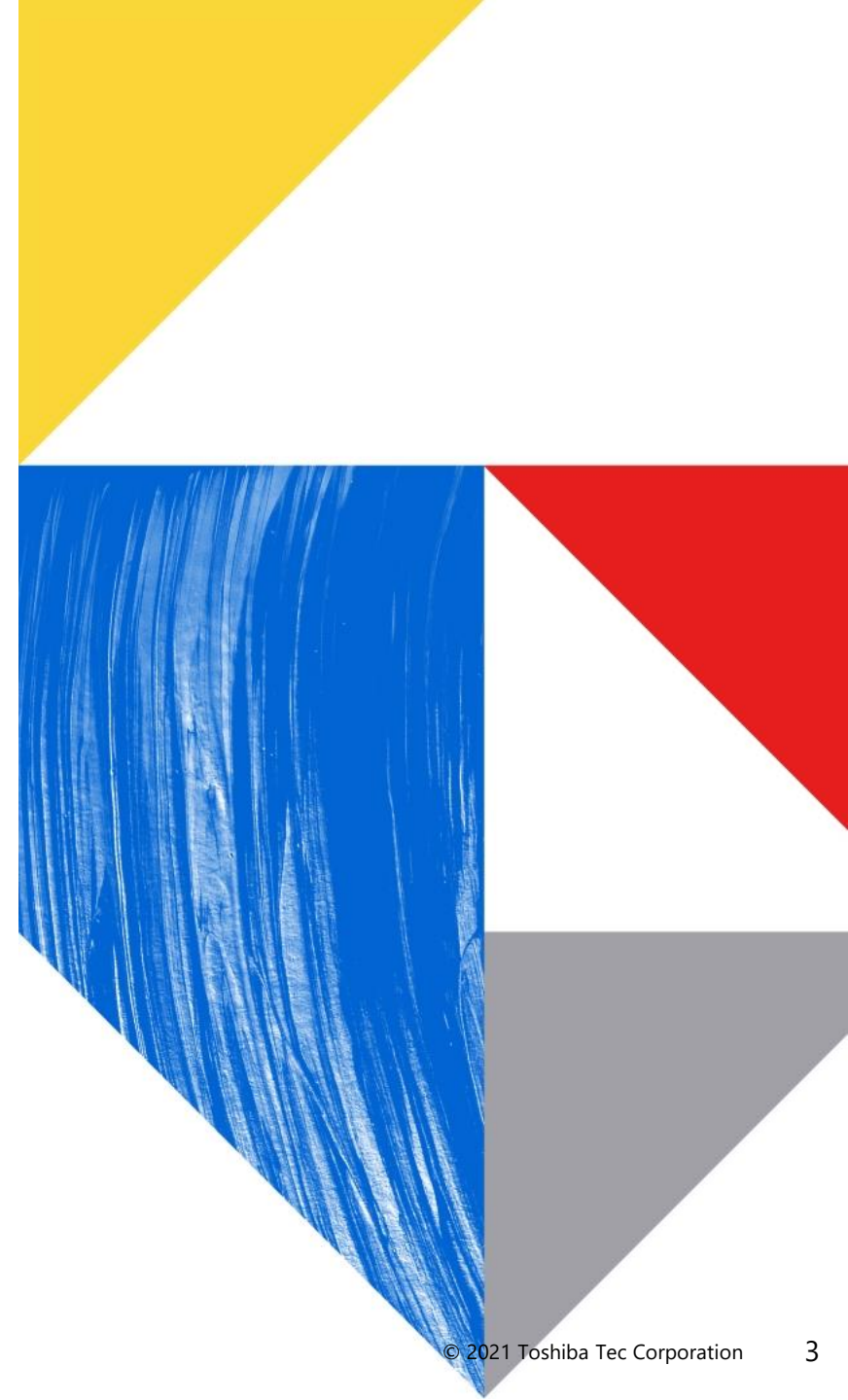
01 Key Messages

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01

Key Messages



Key Messages

Business performance improved significantly in the first half of FY2021 compared to FY2020

- Operating profit increased by 5.3 billion yen in the first half of FY2021 amid drastic changes of business environment

The overseas retail solutions business has stabilized its profit foundation

- Operating profit continues to be positive for 3 consecutive fiscal halves primarily due to the effect of structural reforms. We will aim at profitability improvement for unprofitable regions by deploying the global platform “ELERA” which has been well accepted in the Americas.

The yearly forecast is revised downward due to the global shortage of parts and shipping containers accompanied by soaring prices

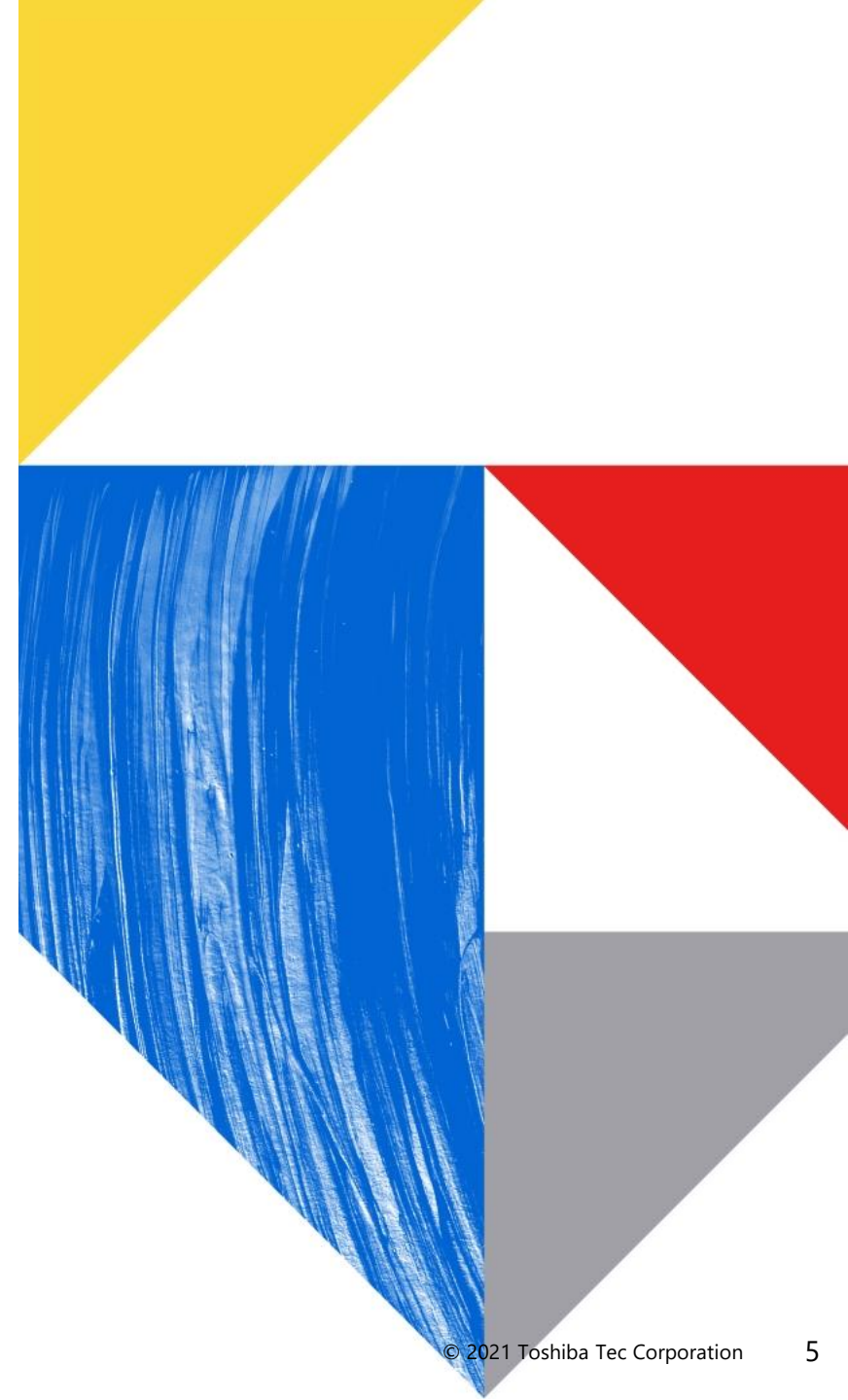
- The bottom line impact by supply chain disruptions is $\Delta 7.4$ billion yen in the first half of FY2021 and $\Delta 14.2$ billion yen in FY2021

FY2021 annual dividend is to be increased by 20 yen over FY2020

- A 20 yen interim dividend and a 20 yen year-end dividend are planned respectively, amounting a total 40 yen annual dividend in FY2021

02

FY2021 First Six Months Consolidated Business Results



FY2021 First Six Months Business Results (Consolidated)

(Billions of yen)

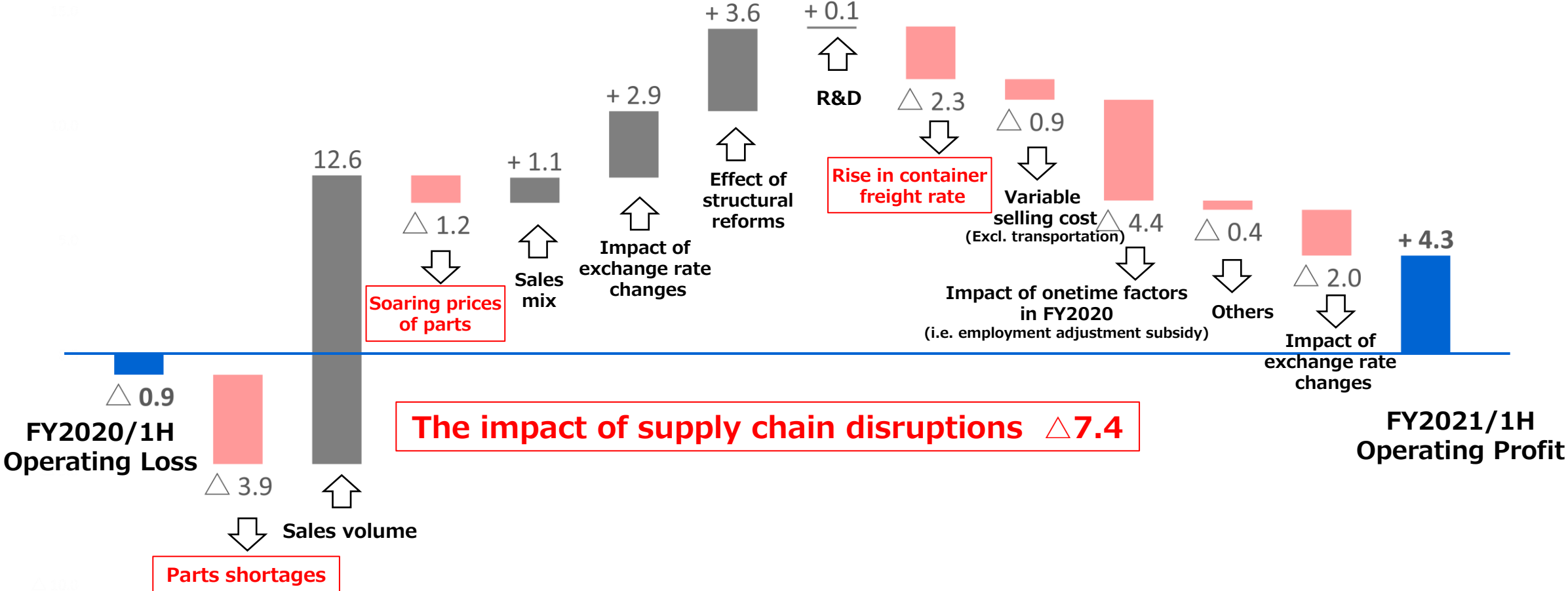
		FY2021/1H Actual	FY2020/1H Actual	Difference vs FY2020/1H
Net Sales		217.0	191.7	+25.2
Operating Profit		4.3	△0.9	+5.3
	(Rate of sales)	(2.0%)	(-%)	
Ordinary Profit		3.1	△1.4	+4.5
	(Rate of sales)	(1.4%)	(-%)	
Profit Attributable to Owners of Parent		2.5	△7.0	+9.4
	(Rate of sales)	(1.1%)	(-%)	
Foreign currency exchange rate (Yen)	US\$	109.89	106.81	+3.08
	EUR	131.15	120.89	+10.26

Operating Profit Analysis of FY2021/1H

Gross Profit
+11.5

SG&A
△6.3

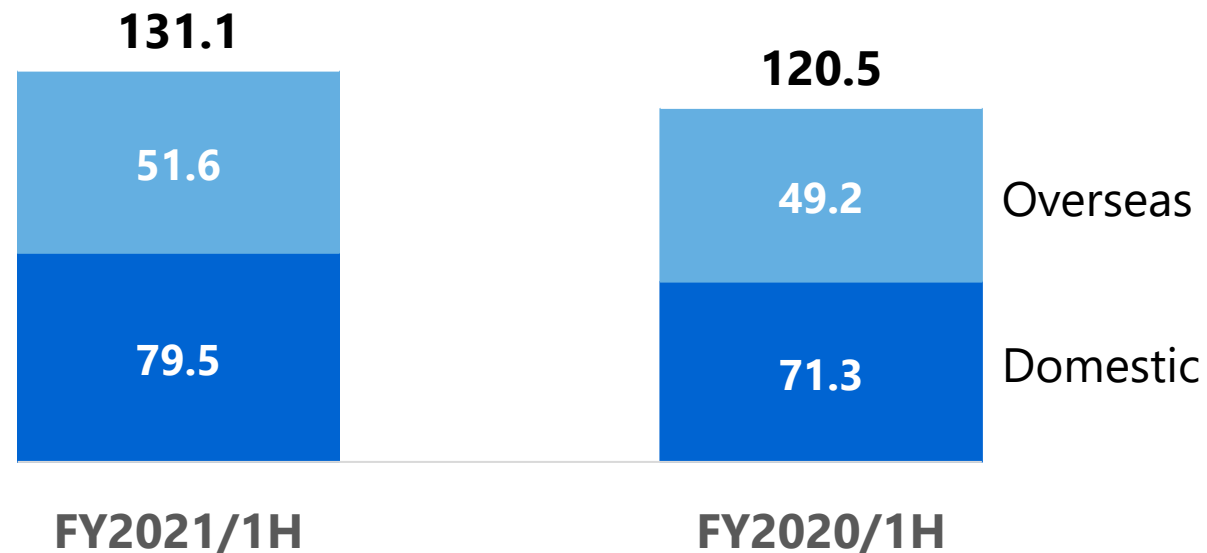
(Billions of yen)



FY2021/1H Business Results by Segment

(Billions of yen)

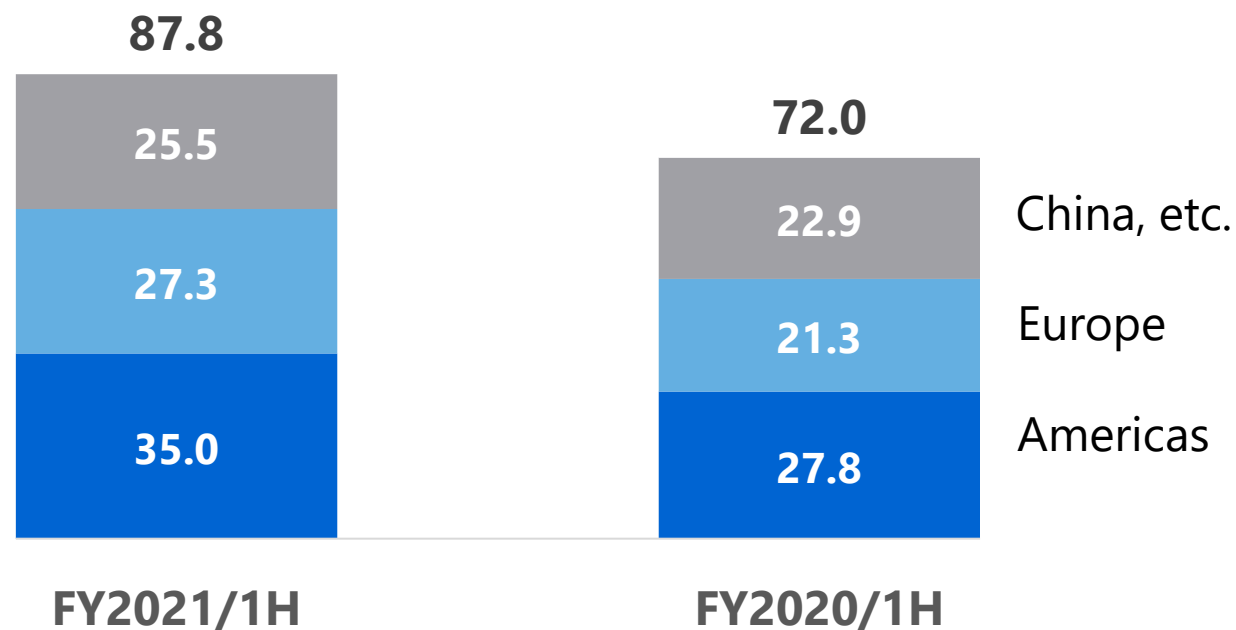
		FY2021/1H Actual	FY2020/1H Actual	Difference vs FY2020/1H
Retail Solutions Business Group	Net Sales	131.1	120.5	+10.6
	Operating Profit (Rate of sales)	5.7 (4.3%)	6.0 (5.0%)	△0.3



FY2021/1H Business Results by Segment

(Billions of yen)

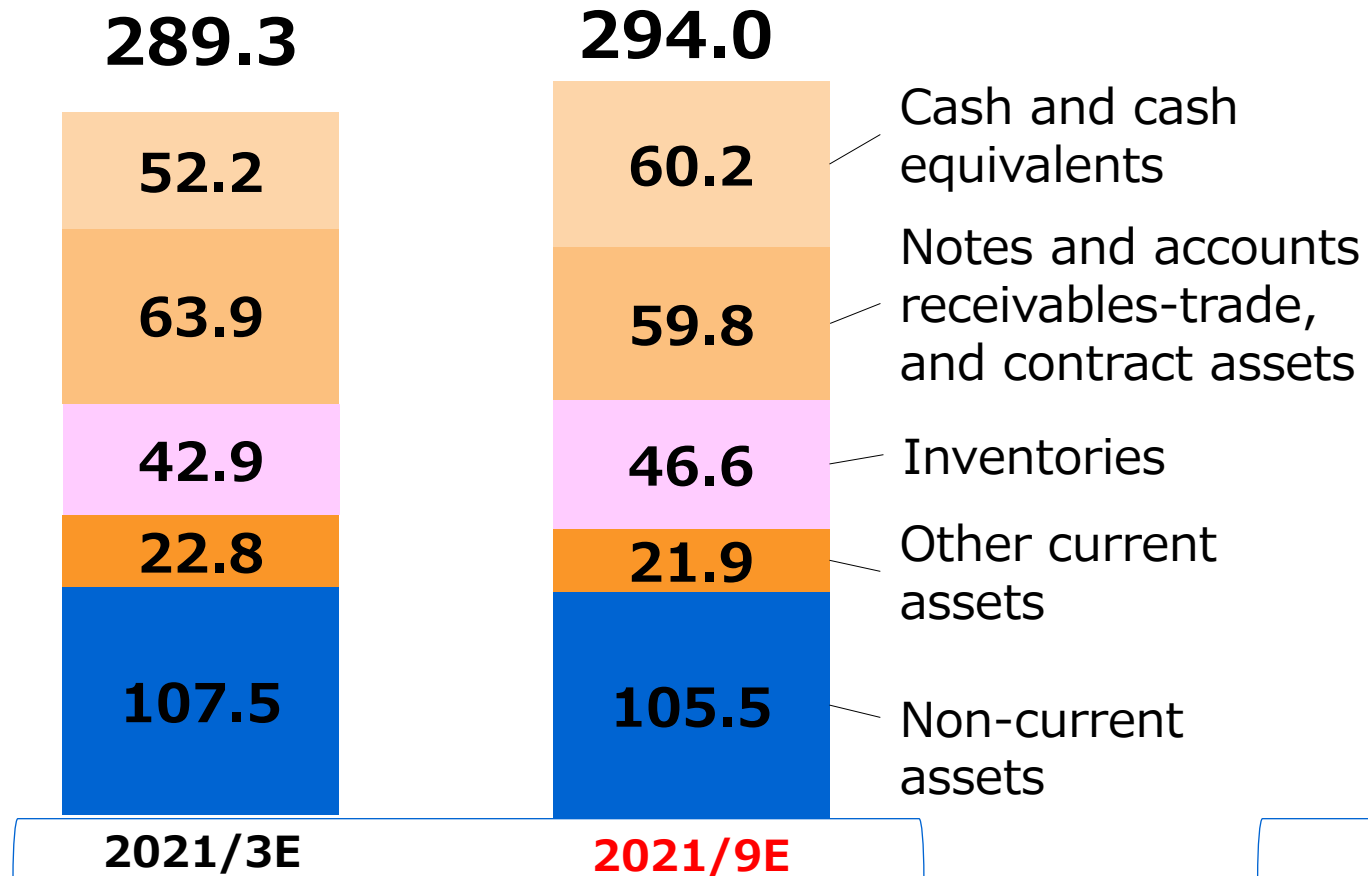
	FY2021/1H Actual	FY2020/1H Actual	Difference vs FY2020/1H
Workplace Solutions Business Group			
Net Sales	87.8	72.0	+15.9
Operating Profit (Rate of sales)	△1.4 (-%)	△6.9 (-%)	+5.5



Balance Sheet

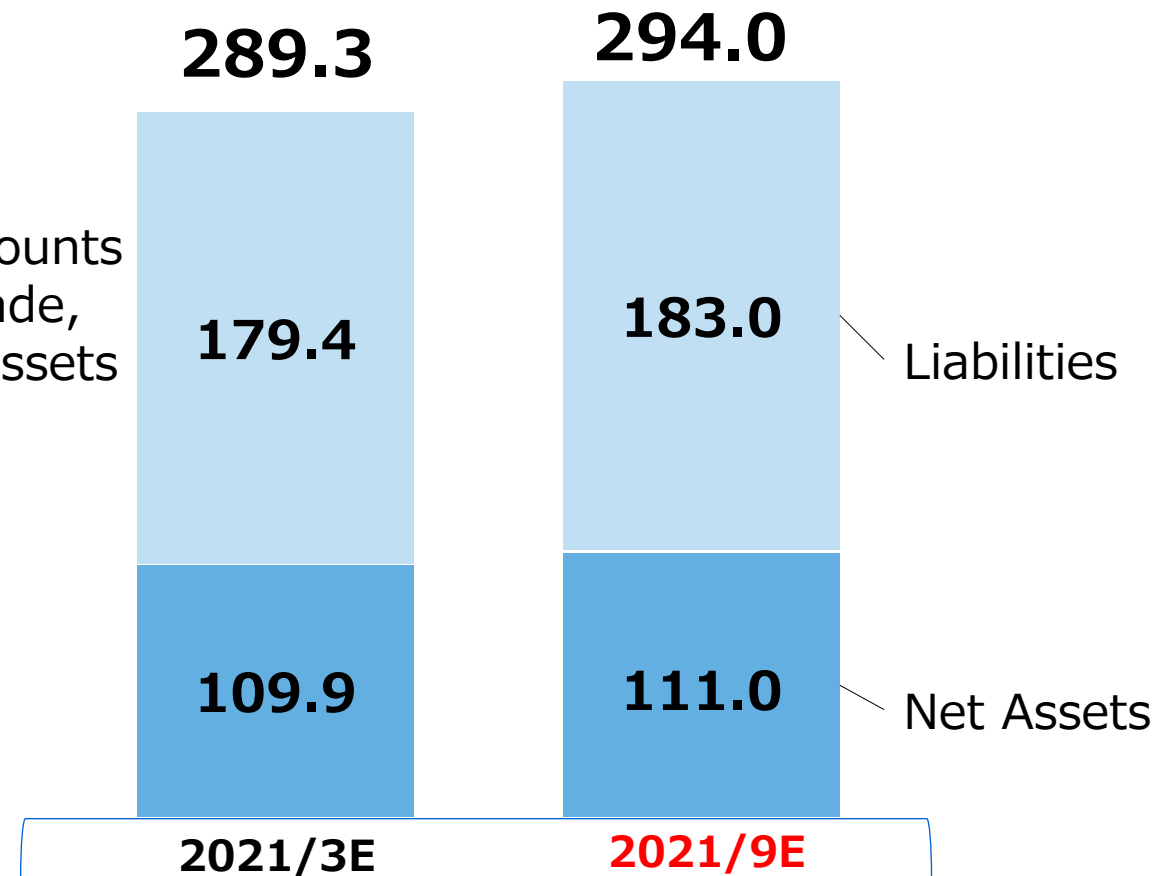
Increased net assets due to the recovery of business performance

Assets



Liabilities and Net Assets

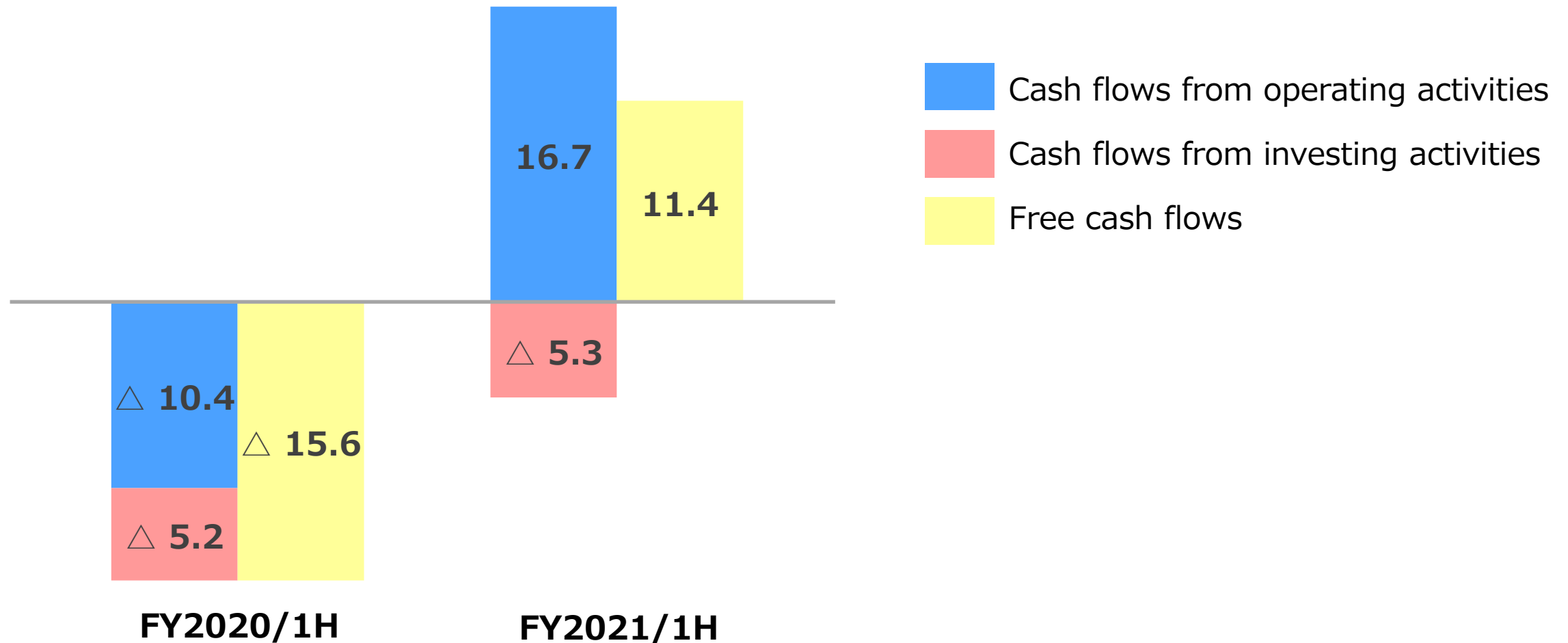
(Billions of yen)



FY2021/1H Cash Flows

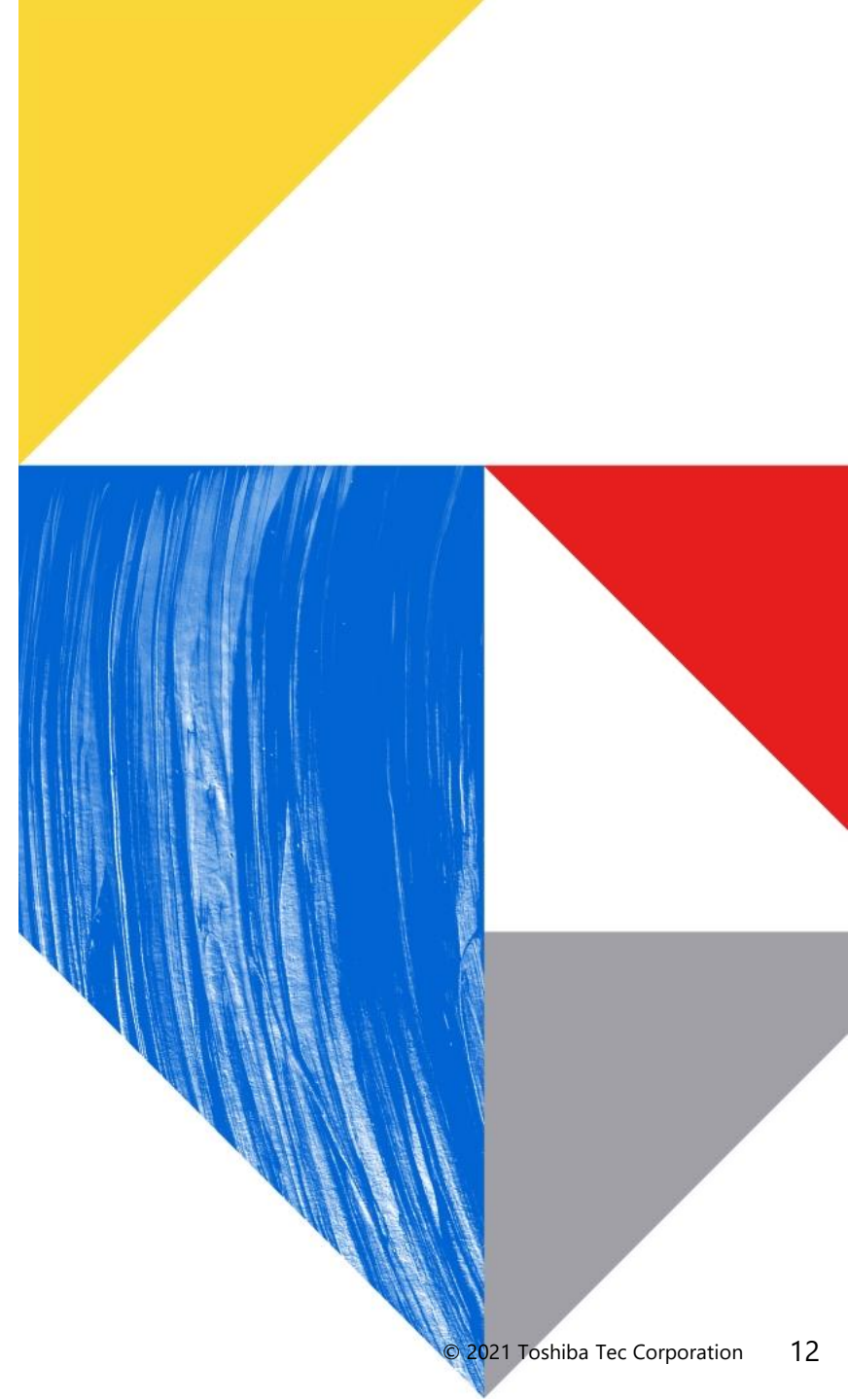
Increase FCF substantially by improving cash flows from operating activities

(Billions of yen)



03

FY2021 Forecast



FY2021 Forecast (Consolidated)

(Billions of yen)

	FY2021 Forecast	FY2021 Prev. Forecast (Aug. 12)	FY2020 Actual	Difference		
				vs. Previous Forecast	vs. FY2020 Actual	
Net Sales	440.0	420.0	405.7	+20.0	+34.3	
Operating Profit (Rate of sales)	15.0 (3.4%)	21.0 (5.0%)	8.3 (2.0%)	△6.0	+6.7	
Ordinary Profit (Rate of sales)	12.0 (2.7%)	18.0 (4.3%)	7.2 (1.8%)	△6.0	+4.8	
Profit Attributable to Owners of Parent (Rate of sales)	7.0 (1.6%)	10.0 (2.4%)	7.1 (1.8%)	△3.0	△0.1	
Foreign currency exchange rate (Yen)	US\$	108.04*	105.00	105.79	+3.04	+2.25
	EUR	128.50*	125.00	123.21	+3.50	+5.29

* Foreign currency exchange rates of FY2021/2H forecast are US\$=105 yen, EUR=125 yen.

FY2021 Forecast by Segment

(Billions of yen)

		FY2021 Forecast	FY2021 Prev. Forecast (Aug.12)	FY2020 Actual	Difference	
					vs. Previous Forecast	vs. FY2020 Actual
Retail Solutions Business Group	Net Sales	270.0	255.0	248.5	+15.0	+21.5
	Operating Profit (Rate of Sales)	15.0 (5.6%)	16.5 (6.5%)	13.7 (5.5%)	△1.5	+1.3
Workplace Solutions Business Group	Net Sales	175.0	175.0	158.9	0.0	+16.1
	Operating Profit (Rate of Sales)	0.0 (-%)	4.5 (2.6%)	△5.5 (-%)	△4.5	+5.5
Consolidated Total	Net Sales	440.0	420.0	405.7	+20.0	+34.3
	Operating Profit (Rate of Sales)	15.0 (3.4%)	21.0 (5.0%)	8.3 (2.0%)	△6.0	+6.7

FY2021 Forecast by Segment

(Billions of yen)

		FY2021 Forecast (1H/2H)	FY2020 Actual (1H/2H)	Difference vs FY2020
Retail Solutions Business Group	Net Sales	270.0 (131.1/138.9)	248.5 (120.5/128.0)	+21.5 (+10.6/+10.9)
	Operating Profit (Rate of sales)	15.0 (5.7/9.3) (5.6%)	13.7 (6.0/7.7) (5.5%)	+1.3 (△0.3/+1.6)
Workplace Solutions Business Group	Net Sales	175.0 (87.8/87.2)	158.9 (72.0/86.9)	+16.1 (+15.9/+0.2)
	Operating Profit (Rate of sales)	0.0 (△1.4/1.4) (-%)	△5.5 (△6.9/1.4) (-)	+5.5 (+5.5/0.0)

Retail Business:

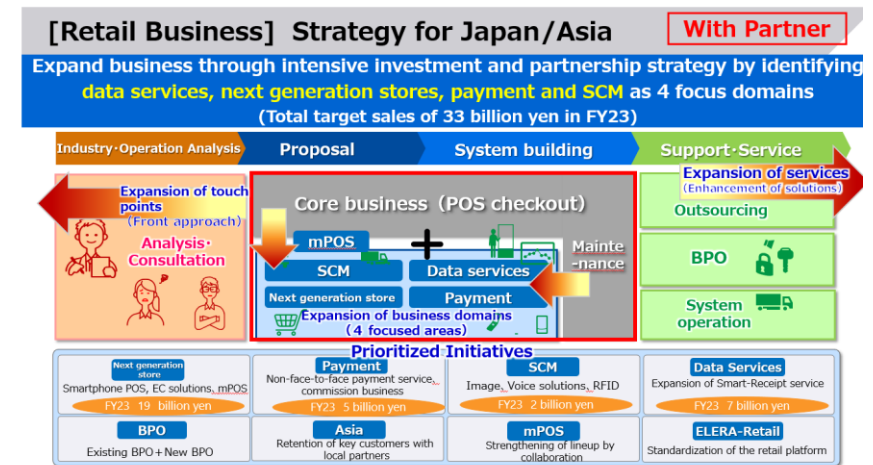
Enhancement of solutions business by promoting collaboration and PoCs

Accelerate investments in partners to enhance solutions business

Investments in the partners and POCs implemented after April, 2021

(Investments)

- HARMONIA Inc.
- Workstyle tech Ltd.
- magee Co., Ltd.
- (Capital and business alliance with) TOUCH TO GO
- SukimaWorks Inc.
- Bespo Inc.



(*) Excerpt from Management Policy Briefing on May.28, 2021

(PoCs)

- Image recognition cart POS system using AI implemented for unmanned register operation
- Launch PoC to establish a FoodTech service by utilizing 「Smart Receipt®」
- Implement DX initiatives to increase efficiency of cashier operation by self-register system with cart and smart phone



Appendix

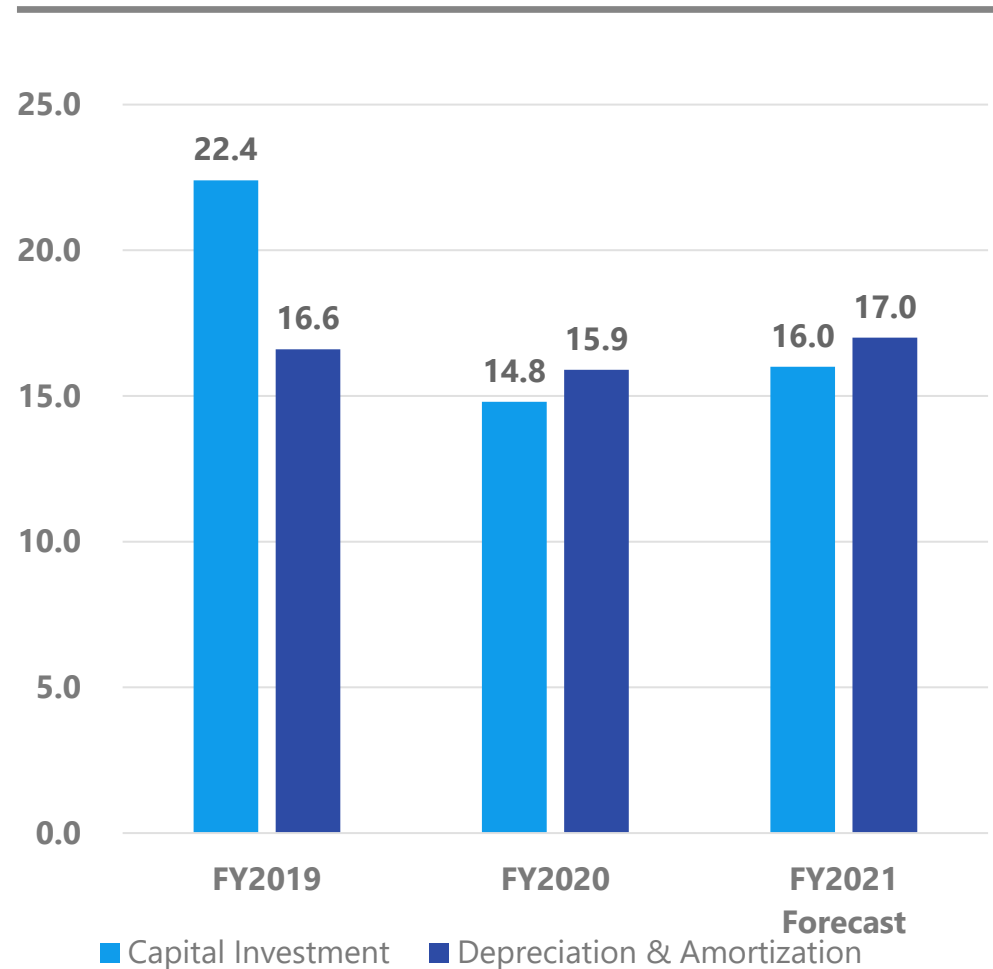
FY2021 Forecast : Impact of Currency Exchange Rate

	Premise Rate	Effect of depreciation by 1 yen	
	2022/3E (2H)	Net Sales (Annual)	Operating Profit (Annual)
US\$	105 yen	+ 1.6 billion yen	△ 0.1 billion yen
EUR	125 yen	+0.3 billion yen	+0.2 billion yen

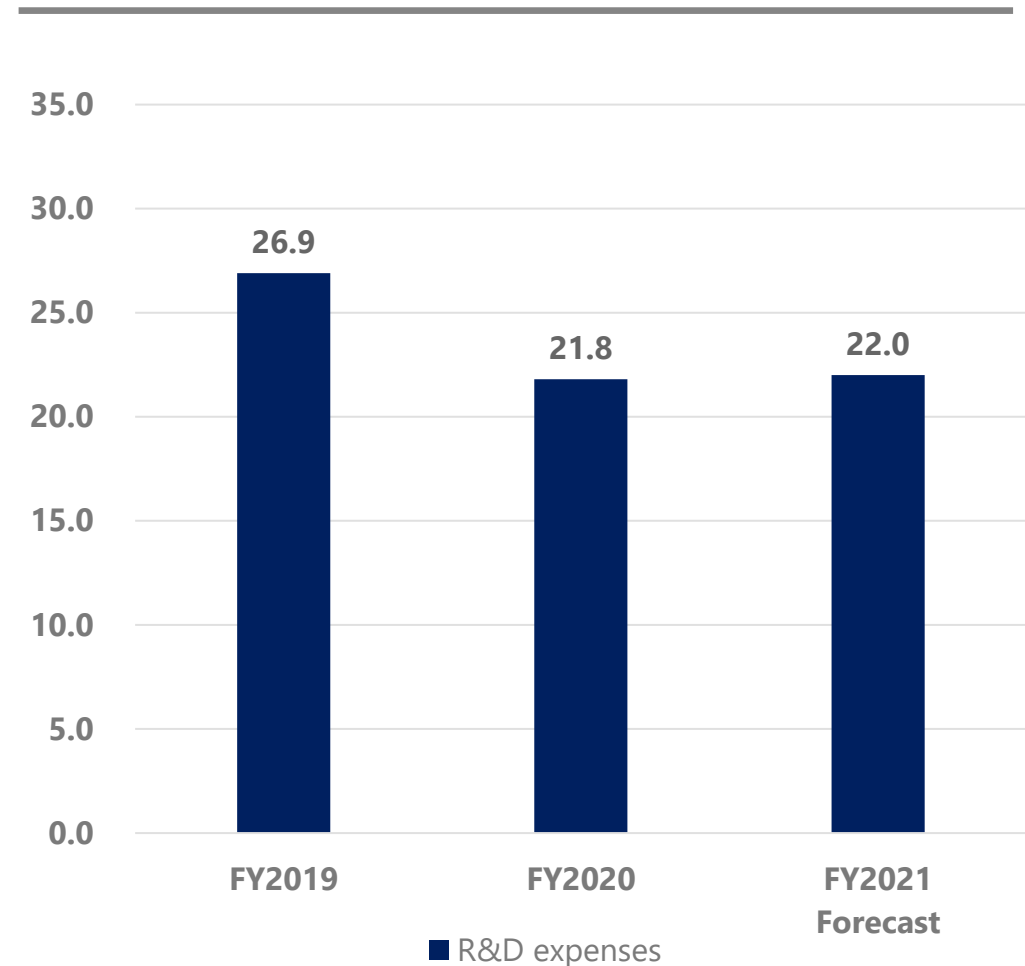
FY2021 Forecast: Capital investment*, Depreciation and Amortization, R&D expenses

(Billions of yen)

Capital investment, Depreciation and Amortization



R&D expenses



*Increase in property, plant and equipment and intangible assets
(Including the impact of applying new lease accounting at overseas subsidiaries from FY2019)

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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