

May 11, 2020
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Notice Regarding Date of Announcement of
Fiscal Year 2019 Consolidated Financial Results**

TOKYO—Toshiba Corporation (TOKYO: 6502, hereinafter Toshiba) today announced a new date for the report of its fiscal year 2019 consolidated financial results, for the year ending March 2020, and the latest details of the impact of the COVID-19 pandemic on its business situation.

1. Announcement Date of consolidated financial results for fiscal year 2019

On April 18, 2020, Toshiba postponed the date of the announcement of its fiscal year 2019 consolidated financial results, due to the risk of delays in reporting at its subsidiaries because of the pandemic. The results announcement, originally scheduled for May 14, was postponed until the end of May or later, and Toshiba has now confirmed that it will announce the results on June 5.

2. Outlook for consolidated financial results for fiscal year 2019

On February 14, 2020, Toshiba issued a consolidated forecast for fiscal year 2019 sales of 3,430 billion yen and operating income of 140 billion yen. While the actual results are still being finalized, the pandemic is expected to have only a limited impact on the figures.

Consolidated sales are now expected to reach approximately 3,390 billion yen, reflecting a reduction against the forecast of approximately 40 billion yen, mainly from the Electronic Devices & Storage Solutions segment. This reduction also impacted on consolidated operating income, but Toshiba has secured improved profitability by strengthening project management and achieving additional cost savings through stringent cost management. Current indications are for consolidated operating income of over 130 billion yen, and Toshiba does not expect to need to revise its earnings forecast at this time. Operating income is expected to be nearly four times higher than the 35 billion yen recorded in fiscal year 2018, ROS is expected to improve from 1% to approximately 4%, and EBITDA is expected to increase from 114 billion yen to over 210 billion yen.

Consolidated Financial Results for Fiscal Year	FY2018 Results	FY2019 Provisional tally	Note
Sales	3,694 billion yen	approx. 3,390 billion yen	Forecast as of February 14 : 3,430 billion yen
Operating Income	35 billion yen	over 130 billion yen	Including 1 and 2 below // Forecast as of February 14 : 140 billion yen
ROS	1%	approx. 4%	
EBITDA	114 billion yen	over 210 billion yen	
EBITDA Margin	3%	approx. 6%	
1. Structural reform costs, etc.	-45 billion yen	approx. -11 billion yen	
2. Impact of COVID-19	-	approx. -20 billion yen	Impact of profit decline due to delay in sales timing
Core Operating Income (Excluding 1 and 2 from operating income)	81 billion yen	over 161 billion yen	

*EBITDA is stated as operating income + depreciation expense

As explained in the November 13, 2019 “Toshiba Next Plan Progress Report,” Toshiba has established a stable portfolio centered on BtoB businesses not easily affected by economic fluctuations. It has done this by divesting BtoC businesses, including home appliances and PCs, and by withdrawing from overseas nuclear power plant construction, a liquefied natural gas (LNG) business in the U.S., and the memory business. The company has also implemented procurement and sales reforms in a cross-company project that aims to continually strengthen basic profitability. Despite this, it was inevitable that Toshiba would feel the impact of the COVID-19 pandemic, though the effect on the fiscal year 2019 consolidated results will be limited. Toshiba will continue to finalize the results in readiness for the June 5 announcement.

3. Latest Situation related to COVID-19 pandemic

In responding to the pandemic, Toshiba prioritizes the safety of its customers and business partners and its employees and their families. Measures taken so far include setting up an environment for remote work, and the deployment of the best possible measures to minimize risk of workplace infection. This has allowed Toshiba to continue the manufacturing, service and maintenance and logistics operations that are essential to fulfilling its responsibility to maintain social infrastructure.

(1) Domestic manufacturing sites are all operating. Part of the manufacturing line at a Toshiba Electronic Devices & Storage Corporation affiliate suspended operation for disinfection under the guidance of the public health authority, following the discovery of a worker infected with the virus. Operations have already restarted. Part of the production line at Toshiba Lighting & Technology Corporation’s factory is currently on hold, due to the customer demand situation.

(2) Outside Japan, all sites in China resumed operation last month, except for a Toshiba Lighting & Technology Corporation affiliate, which suspended operation on April 21 due to the customer demand situation. It will restart operation on May 12. Manufacturing sites

in countries that include India, the Philippines and Malaysia, acting on the instructions of the local authorities, temporarily suspended production, but following clearance by the authorities they have all now restarted operations.

- (3) In procurement, delays in sourcing materials and components from China are being resolved, and while there are still some concerns in respect of procuring materials and components procurement from other regions, including Southeast Asia, the impact on manufacturing is limited.

As it continues to closely monitor the impact and extent of the pandemic, including the operating status of its domestic and overseas manufacturing sites, Toshiba will strive to further enhance and stabilize profitability through structural, procurement and sales reform; to fulfill its social responsibilities as a company that supports social infrastructure; and to promote measures for further growth. Toshiba will announce its forecast for its fiscal year 2020 consolidated results as soon as it is in a position to do so, on June 5 or later.

In consideration of the possibility of a worsening economic and business situation, Toshiba is well prepared to deal with pressure on short-term liquidity. In addition to its March-end cash holding of an amount equivalent to one month's consolidated sales, Toshiba also has a commitment line from banks that totals 258 billion yen. Toshiba also secured additional cash in the amount of 150 billion yen in April.

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