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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



August 6, 2025

Company name: Toshiba Tec Corporation

Stock exchange listing: Tokyo

Code number: 6588

URL: <https://www.toshibatec.co.jp/>

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Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

President and CEO

General Manager of Corporate Communications Division

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	121,367	(13.4)	(2,118)	-	(3,479)	-	(4,987)	-
June 30, 2024	140,169	14.5	4,276	232.2	4,620	-	3,442	-

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ (5,058) million [- %]
Three months ended June 30, 2024: ¥ 4,189 million [59.1 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	(94.18)	-
June 30, 2024	65.03	65.03

(Note) Diluted earnings per share for the three months ended June 30, 2025 is not presented even though the Company has issued potential shares, because basic earnings per share was net loss.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2025	338,307	109,231	30.3
March 31, 2025	346,371	115,685	31.2

(Reference) Equity: As of June 30, 2025: ¥ 102,657 million

As of March 31, 2025: ¥ 108,076 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	20.00	-	25.00	45.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		-	-	-	-

(Note) 1. Revision to the forecast for dividends announced most recently: No

2. The dividends for the fiscal year ending September 30, 2025, and the fiscal year ending March 31, 2026, will be announced as soon as announce is possible.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	550,000	(4.7)	12,000	(40.7)	8,000	(56.4)	0	-	0.00

(Note) 1. Revision to the financial forecast announced most recently: Yes

2. For details on the revision of the financial forecast, please refer to the “Notice Regarding Full-Year Consolidated Financial Forecast” announced today (August 6, 2025).

*Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2025

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Notes (3) Notes to the quarterly consolidated financial statements (Accounting policies adopted specially for the preparation of quarterly consolidated financial statements)” on page 8 of this report.

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 57,629,140 shares

March 31, 2025: 57,629,140 shares

2) Total number of treasury shares at the end of the period:

June 30, 2025 4,673,909 shares

March 31, 2025 4,677,354 shares

3) Average number of shares during the period:

Three months ended June 30, 2025: 52,952,485 shares

Three months ended June 30, 2024: 52,930,318 shares

• Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

• Proper use of earnings forecasts, and other special matters

(Explanation for the proper use of earnings forecasts)

Financial forecasts are based on information currently available to the Company and certain assumptions deemed reasonable and are not intended to be the Company’s guarantee that they will be achieved. Actual results may significantly vary due to a variety of factors. For the assumptions used as the basis for the earnings forecasts and precautions regarding the use of the earnings forecasts, please refer to “1. Summary of consolidated business results, etc. (3) Consolidated financial forecast and other forward-looking information” on page 3 of this report.

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1. Summary of consolidated business results, etc.

(1) Summary of consolidated business results etc. for the three months ended June 30, 2025 under review

The world economy for the three months ended June 30, 2025, remained in a difficult situation, as the outlook for the economy continued to be uncertain due to the heightened uncertainty in market conditions across various countries, particularly in the U.S., stemming from the U.S. tariff measures and other factors, as well as the impact of continued price rises and geopolitical risks.

Amid such conditions, Toshiba Tec Corporation (the “Company”) and its subsidiaries (collectively, the “Group”) have been pursuing the Basic Policy, “To become a global top solutions partner by generating new value through co-creation with the aim of contributing to the resolution of social issues.” Under the basic policy, the Group has striven to strengthen the profitability of core businesses, expand the growth business areas, transform management, enhance human resources, and promote sustainability, etc. toward sustainable growth. In this way, the Group has strived to contribute to the resolution of social issues with the aim of becoming a global top solutions partner.

In the three months ended June 30, 2025, net sales were ¥121,367 million (down 13% year on year), due mainly to decreased sales of POS systems and multifunction peripherals (MFPs) particularly in overseas markets resulting from the deterioration of market conditions in the U.S. and other countries, and also due to the negative impact of foreign exchange rates. On the profit front, the profit and loss of POS systems for overseas markets and MFPs for overseas markets deteriorated due to a decrease in net sales, the impact of cost increases associated with U.S. tariff measures, delays in product price revisions and other factors, resulting in operating loss of ¥2,118 million (operating profit of ¥4,276 million in the same period of the previous fiscal year), ordinary loss of ¥3,479 million (ordinary profit of ¥4,620 million in the same period of the previous fiscal year), and loss attributable to owners of parent of ¥4,987 million (profit attributable to owners of parent of ¥3,442 million in the same period of the previous fiscal year).

Results of reportable segments for the three months ended June 30, 2025 were as follows.

Retail Solutions Business Group

The Retail Solutions Business Group handles POS systems for domestic and overseas markets, MFPs for the domestic market, auto ID systems for the domestic market, and related products. Amid a severe business environment in which intensifying competition with peers continues, the business group has worked on expanding the high-value-added solutions business through the global retail platform “ELERA”, generative AI utilization services and strategic partnerships, boosting recurring revenue business and the multi-vendor maintenance services covering not only our equipment but also IT equipment of other companies.

Sales of POS systems for the domestic market decreased due to the completion of special demand related to the redesigned banknotes and other factors despite efforts to revise product prices and maintenance service prices.

Sales of POS systems for overseas markets declined due to a decrease in sales of hardware mainly in the Americas, caused by a delay in the timing of investment by customers in line with deteriorating market conditions and other factors, as well as the impact of foreign exchange rates.

Sales of MFPs for the domestic market declined due to a decrease in printing volume and customers refraining from purchasing.

Sales of auto ID systems for the domestic market decreased due to a decline in sales as a result of the reaction to large-scale property orders received in the same period of the previous fiscal year and other factors.

As a result, net sales of the Retail Solutions Business Group were ¥70,716 million (down 14% year on year). Operating loss of the business group was ¥2,231 million (operating profit of ¥155 million in the same period of the previous fiscal year), reflecting a decline in net sales and cost increases associated with the U.S. tariff measures, which led to the reduced profitability of POS systems for overseas markets, mainly in the Americas, despite the improved profitability of POS systems for the domestic market.

Workplace Solutions Business Group

The Workplace Solutions Business Group handles MFPs for overseas markets, auto ID systems for overseas markets, and related products. Amid a severe business environment in which the declining printing volume due to work style reforms and office DX promotion and intensifying competition with peers continue, the business group focused on strengthening the profitability of MFPs, its the core businesses and worked on developing the office solutions business and the auto ID solutions business, which are growth areas.

Sales of MFPs for overseas markets decreased due to a decline in sales in all regions, mainly in the Americas and Europe, stemming from the U.S. tariff measures and other factors, as well as the impact of foreign exchange rates.

Sales of auto ID systems for overseas markets decreased as a result of a decline in sales mainly in the Americas caused by the reaction to large-scale property orders received in the same period of the previous fiscal year and the impact of foreign exchange rates.

As a result, net sales of the Workplace Solutions Business Group were ¥52,053 million (down 14% year on year). Operating profit for the business group was ¥112 million (down 97% year on year) due to a decline in net sales and the deterioration of profit and loss across all regions caused by cost increases associated with U.S. tariff measures and delays in product price revisions. Another factor behind the significant decline in operating income compared to the same period of the previous fiscal year was a temporary increase in the operating rate at plants due to the impact of a temporary increase in the production volume of MFPs in the same period of the previous fiscal year. This is due to the transfer of the Group's business of the development and manufacturing of MFPs and auto ID systems to ETRIA CO., LTD. in July 2024.

(Note) An auto ID system is a system that uses hardware and software devices to recognize and manage data content by automatically scanning barcode and RFID tag data.

(2) Summary of consolidated financial condition etc. for the three months ended June 30, 2025 under review

Assets at the end of the first quarter of the fiscal year ending March 31, 2026 decreased by ¥8,064 million from the end of the previous fiscal year to ¥338,307 million. This was mainly because cash and deposits and notes and accounts receivable - trade, and contract assets in current assets decreased by ¥11,650 million and ¥9,883 million, respectively, and investment securities in investments and other assets decreased by ¥1,492 million, although merchandise and finished goods and "Other" in current assets increased by ¥12,524 million and ¥2,578 million, respectively.

Liabilities decreased by ¥1,611 million from the end of the previous fiscal year to ¥229,075 million. This was mainly because income taxes payable and "Other" in current liabilities decreased by ¥2,023 million and ¥3,858 million, respectively, although notes and accounts payable - trade in current liabilities increased by ¥4,530 million.

Net assets decreased by ¥6,453 million from the end of the previous fiscal year to ¥109,231 million. This was primarily due to a decrease in retained earnings owing to the payment of dividends of ¥1,323 million, the recording of loss attributable to owners of parent of ¥4,987 million, and a decrease in non-controlling interests of ¥1,022 million, although foreign currency translation adjustment increased by ¥969 million.

(3) Consolidated financial forecast and other forward-looking information

The consolidated financial forecast for the fiscal year ending March 31, 2026 was not disclosed at the time of the announcement of financial results on May 12, 2025, as it was not feasible to reasonably calculate it by carefully assessing the impact of new tariff measures in the U.S. and other factors. However, we disclosed the financial forecast calculated based on our assessment derived from the currently available information.

For details, please refer to the "Notice Regarding Full-Year Consolidated Financial Forecast" announced separately today (August 6, 2025).

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	47,945	36,295
Notes and accounts receivable - trade, and contract assets	81,411	71,528
Merchandise and finished goods	44,518	57,042
Work in process	1,278	1,535
Raw materials and supplies	7,917	8,153
Other	27,764	30,342
Allowance for doubtful accounts	(1,260)	(1,220)
Total current assets	209,574	203,676
Non-current assets		
Property, plant and equipment	44,557	43,992
Intangible assets		
Goodwill	180	160
Other	10,985	10,116
Total intangible assets	11,166	10,277
Investments and other assets		
Investment securities	37,148	35,656
Other	43,998	44,776
Allowance for doubtful accounts	(73)	(72)
Total investments and other assets	81,073	80,361
Total non-current assets	136,797	134,631
Total assets	346,371	338,307

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	64,367	68,897
Short-term borrowings	3,359	3,464
Current portion of long-term borrowings	4,953	4,904
Income taxes payable	6,879	4,856
Other	90,092	86,234
Total current liabilities	169,652	168,358
Non-current liabilities		
Long-term borrowings	11,321	11,429
Retirement benefit liability	24,439	24,308
Other	25,272	24,979
Total non-current liabilities	61,034	60,717
Total liabilities	230,686	229,075
Net assets		
Shareholders' equity		
Share capital	39,970	39,970
Capital surplus	1,110	1,111
Retained earnings	58,525	52,214
Treasury shares	(13,319)	(13,309)
Total shareholders' equity	86,287	79,987
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,260	1,301
Deferred gains or losses on hedges	(27)	(80)
Foreign currency translation adjustment	17,562	18,532
Minimum pension liability adjustments	(213)	(226)
Remeasurements of defined benefit plans	3,206	3,143
Total accumulated other comprehensive income	21,788	22,670
Share acquisition rights	14	2
Non-controlling interests	7,593	6,571
Total net assets	115,685	109,231
Total liabilities and net assets	346,371	338,307

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

Quarterly Consolidated Statement of Income (For the three months)

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	140,169	121,367
Cost of sales	82,850	74,640
Gross profit	57,319	46,727
Selling, general and administrative expenses	53,042	48,845
Operating profit (loss)	4,276	(2,118)
Non-operating income		
Interest income	97	69
Dividend income	62	66
Share of profit of entities accounted for using equity method	-	617
Foreign exchange gains	903	-
Other	278	68
Total non-operating income	1,341	821
Non-operating expenses		
Interest expenses	209	300
Loss on valuation of derivatives	305	580
Foreign exchange losses	-	579
Loss on sale and retirement of non-current assets	37	485
Other	446	236
Total non-operating expenses	997	2,182
Ordinary profit (loss)	4,620	(3,479)
Extraordinary income		
Gain on sale of investment securities	257	-
Total extraordinary income	257	-
Extraordinary losses		
Loss on sale of investment securities	3	-
Loss on valuation of investment securities	1	-
Restructuring cost	144	186
Total extraordinary losses	149	186
Profit (loss) before income taxes	4,728	(3,665)
Income taxes	1,569	2,131
Profit (loss)	3,158	(5,796)
Profit (loss) attributable to non-controlling interests	(284)	(809)
Profit (loss) attributable to owners of parent	3,442	(4,987)

Quarterly Consolidated Statement of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit (loss)	3,158	(5,796)
Other comprehensive income		
Valuation difference on available-for-sale securities	(647)	40
Deferred gains or losses on hedges	(156)	(53)
Foreign currency translation adjustment	1,964	978
Minimum pension liability adjustment	8	(12)
Remeasurements of defined benefit plans, net of tax	(138)	(68)
Share of other comprehensive income of entities accounted for using equity method	-	(146)
Total other comprehensive income	1,030	738
Comprehensive income	4,189	(5,058)
Comprehensive income attributable to		
Owners of parent	4,302	(4,105)
Non-controlling interests	(113)	(952)

(3) Notes to the quarterly consolidated financial statements

Accounting policies adopted specially for the preparation of quarterly consolidated financial statements

Calculation of tax expenses

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting for profit before income taxes for the consolidated fiscal year ending March 31, 2026 including the first quarter under review and multiplying profit before income taxes by the estimated effective tax rate.

Provided, however, that if calculation using the estimated effective tax rate turns out to be significantly unreasonable, calculations are made pursuant to Paragraph 15 (Method of using the statutory effective tax rate) of the Implementation Guidance on Tax Effect Accounting for Interim Financial Statements (Accounting Standards Board of Japan (ASBJ) Guidance No. 29, February 16, 2018), according to the provisions of Paragraph 19 of the Implementation Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No. 14, March 31, 2020).

Income taxes - deferred are included in income taxes.

Notes to segment information

I Three months ended June 30, 2024

Amounts of net sales, profit or loss by reportable segment

(Million yen)

	Reportable segments			Adjustment	Consolidated amount (Note)
	Retail Solutions	Workplace Solutions	Total		
Net sales					
Sales to external customers	81,915	58,253	140,169	-	140,169
Intersegment sales and transfers	23	1,909	1,933	(1,933)	-
Total	81,939	60,163	142,103	(1,933)	140,169
Segment profit	155	4,121	4,276	-	4,276

(Note) Segment profit corresponds with operating profit in the quarterly consolidated statement of income.

II Three months ended June 30, 2025

1. Amounts of net sales, profit or loss by reportable segment

(Million yen)

	Reportable segments			Adjustment	Consolidated amount (Note)
	Retail Solutions	Workplace Solutions	Total		
Net sales					
Sales to external customers	70,692	50,675	121,367	-	121,367
Intersegment sales and transfers	23	1,378	1,402	(1,402)	-
Total	70,716	52,053	122,769	(1,402)	121,367
Segment profit (loss)	(2,231)	112	(2,118)	-	(2,118)

(Note) Segment profit (loss) corresponds with operating loss in the quarterly consolidated statement of income.

2. Matters relating to changes in reportable segments, etc.

From the first quarter of the fiscal year ending March 31, 2026, the Company has transferred the MFPs business for domestic markets formerly included in the Workplace Solutions Business Group to the Retail Solutions Business Group.

Furthermore, segment information for the three months ended June 30, 2024 has been prepared in accordance with reclassified reporting segments for the three months ended June 30, 2025.

*Supplementary information

	Three months ended June 30, 2024	Three months ended June 30, 2025
Average exchange rate (Yen to the US dollar)	155.04	145.29
Average exchange rate (Yen to the euro)	167.06	162.60

Notes in the event of significant amount changes in shareholders' equity

Not applicable

Notes on going concern assumption

Not applicable

Notes to statements of cash flows

Quarterly consolidated statements of cash flows are not prepared for the three months ended June 30, 2025. “Depreciation” (including amortization of intangible assets other than goodwill) and “Amortization of goodwill” for the three months ended June 30, 2025 are as follows:

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	4,316	4,239
Amortization of goodwill	60	27