

Second Quarter of FY2019

Financial Results (Three months ended September 30, 2019)

Kioxia Holdings Corporation

November 13, 2019

Disclaimer

On April 1, 2017, Toshiba Corporation spun off its memory business into the former Toshiba Memory Corporation (“Former TMC”). On June 1, 2018, Toshiba Corporation sold all of the shares of Former TMC to K.K. Pangea, a special purpose acquisition company formed by a consortium led by Bain Capital Private Equity, LP, and as a result, Former TMC became a wholly-owned subsidiary of K.K. Pangea. On August 1, 2018, K.K. Pangea merged with Former TMC, with K.K. Pangea as the legally surviving entity. On the same date, K.K. Pangea was renamed Toshiba Memory Corporation (“TMC”). On March 1, 2019, Toshiba Memory Holdings Corporation (“TMCHD”) was established as the holding company for TMC through a sole-share transfer, whereby TMC’s then-existing shareholders became the shareholders of TMCHD and TMC became a wholly-owned subsidiary of TMCHD. On October 1, 2019, TMCHD and TMC were renamed Kioxia Holdings Corporation (“we”) and Kioxia Corporation, respectively.

This presentation includes forward-looking statements that represent certain opinions, expectations, beliefs, intentions or estimates regarding the future of Kioxia Holdings Corporation and its consolidated subsidiaries. You can identify forward-looking statements by terms such as “may,” “will,” “should,” “would,” “expects,” “plans,” “anticipates,” “could,” “intends,” “aims,” “seeks,” “targets,” “projects,” “anticipates,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements are based largely on our current expectations and projections about future events and trends that we believe may affect our industry, business strategy, short-term and long-term business operations and objectives, financial condition and results of operations. These forward-looking statements involve known and unknown risks, uncertainties, changes in circumstances that are difficult to predict and other factors that may cause our actual results, performance or achievements to be materially different from any future result, performance or achievement expressed or implied by the forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied.

The forward-looking statements included in this presentation are made only as of the date hereof. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update any forward-looking statement for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations, except as may be required by law.

This presentation includes information and statements regarding the flash memory industry obtained from industry publications and surveys, publicly available sources and from third-party sources considered to be reliable. Whilst this presentation is provided in good faith, it does not purport to be comprehensive and has not been independently verified.

This presentation has been prepared to provide information on our consolidated financial results and does not constitute or form part of an offer or invitation to sell or a solicitation of an offer to buy or subscribe for or otherwise acquire any securities in any jurisdiction or an inducement to engage in investment activity nor shall it form the basis of or be relied on in connection with any contract thereof.

Financial Results Overview¹

(in billion yen)	FY19 Q1	FY19 Q2	QoQ	FY19 H1
Sales	214.2	239.0	+24.8	453.2
Operating Income	(98.9)	(65.8)	+33.1	(164.7)
<i>Margin</i>	(46)%	(28)%	+19pt	(36)%
Net Income	(95.2)	(56.0)	+39.2	(151.2)
<i>Margin</i>	(44)%	(23)%	+21pt	(33)%
Depreciation and Amortization	99.6	101.9	+2.3	201.5
PPA Impact ²	(28.5)	(28.2)	+0.3	(56.7)
Power Outage Impact ³	(34.4)	(0.1)	+34.3	(34.5)
Refinance Impact ⁴	(19.4)	0.0	+19.4	(19.4)
Income Tax	(34.4)	(22.5)	+11.9	(56.9)

1. Based on the audited consolidated financial statements of the respective companies for FY19 Q1 and Q2. All figures are prepared under IFRS.

2. Amount of financial impact of PPA on operating income caused by the acquisition of the Former TMC by K.K. Pangea.

3. Amount of financial impact on operating income due to power outage other than the sales-related impact, including costs and expenses related to write-offs of work in process inventory and the burden of fixed manufacturing costs during the

downtime of the relevant manufacturing capacity, equipment repair expenses and the allocation of increased manufacturing costs due to power outage from Q2 in accordance with the joint venture agreement.

4. Amount of one-time financial impact on non-operating income associated with the early repayment of debt and early redemption of preferred stock.

Highlights (1/2)

Recent Sales Trends

	FY19 Q1	FY19 Q2
Bit growth (QoQ)	Low-single-digit-% increase	Low 20% range increase
ASP (JPY, QoQ)	Mid-teens % decline	Mid-single-digit-% decline

- Bit growth increased due to demand growth and effective recovery measures following the Yokkaichi plant power outage.
- Previous rate of decline in ASP slowed overall and ASP leveled off or even increased for certain products.

New Company Name

- Toshiba Memory Holdings Corporation rebranded as Kioxia Holdings Corporation on October 1, 2019.

New Products and Technology

- Launched XL-FLASH™ storage class memory (August 6, 2019)
- Unveiled XFMEXPRESS™ removal memory device, which offers reduced size, enhanced functionality and excellent serviceability (August 7, 2019)
- Launched second generation line-up of Serial Interface NAND flash memory products for embedded applications that support high-speed data transfer (September 26, 2019)

Highlights (2/2)

Industry/Market Trends and Outlook

- Despite global macroeconomic uncertainties, supply / demand is expected to be roughly balanced over the next year. The company sees reductions in supplier inventory levels and demand increases due to investments by data center customers and the continuing high density trend in mobile phones.

Impact of Power Outage at Yokkaichi Plant

- The power outage on June 15, 2019 affected certain operations at the Yokkaichi plant, and recovery efforts resulted in faster-than-expected restoration of production. Increased manufacturing costs due to the power outage were allocated in accordance with the joint venture agreement from Q2. As a result, the power outage had a limited impact on Q2 operating income other than the sales-related impact.

New Fab in Iwate

- The new fab (K1) facility at the Kitakami Plant in Iwate Prefecture was completed in October, including the installation of the pilot production line. Meaningful production output is planned to begin in 2020.

KIOXIA