

FOR IMMEDIATE RELEASE

Toshiba Digital Solutions Corporation to Streamline through Early Retirement Incentive Program

TOKYO--Toshiba Corporation (TOKYO: 6502) today announced that Toshiba Digital Solutions Corporation (TDSL), a consolidated subsidiary that specializes in the ICT solutions business, decided on the afternoon of November 28 to implement a personnel reallocation and early retirement incentive program with support for outplacement. The company proposed the program to its labor union on the same day.

1. Reasons for Implementing Personnel Measures

Toshiba Group's new management policies focuses on business domains centered on infrastructure, and will accelerate its ability to respond to digitization by using the ICT solutions delivered by TDSL.

TDSL is seeking to strengthen structural support for businesses promising future growth, such as IoT and AI, and to further enhance its overall operations, securing improved profit and establishing a slim but robust structure are becoming pressing issues. TDSL will therefore optimize its personnel headcount by implementing a personnel reallocation and early retirement incentive program, and offering outplacement support.

2. Outline of Early Retirement Incentive Program

The retirement program will invite applications from candidates 53 or older who have worked for the company for 10 years or more, and who are not employed in divisions that promote new businesses or that require highly skilled professionals. TDSL will start to accept applications from January 2018, and accepted applicants will leave the company by the end of March 2018. In addition to a standard retirement payment, they will also receive a special severance payment and outplacement support, if needed. The personnel reallocation and early retirement incentive program is expected to include about 300 employees.

3. Outline of TDSL

(1) Name	Toshiba Digital Solutions Corporation
(2) Address	72-34 Horikawa-cho, Saiwai-ku Kawasaki-shi, Kanagawa, Japan
(3) Name and Title of Representative	Hironobu Nishikori, President & CEO
(4) Business Outline	System integration, development, manufacture and sales of ICT solutions that utilize IoT and AI.
(5) Capital Stock	23.5 billion yen
(6) Establishment	July 1, 2017* ¹
(7) No. of Employees	4,508* ²

(8) Total No. of Shares Outstanding	204,000 shares
(9) Fiscal Term	March 31
(10) Major Shareholder and Shareholding Ratio	Toshiba Corporation, 100% ^{*3}
(11) Operating Performance and Financial Condition, Most Recent Fiscal Year ^{*4}	
Consolidated Net Assets	36.3 billion yen
Consolidated Total Assets	98.1 billion yen
Sales	102.0 billion yen
Operating Profit	3.4 billion yen
Net Income	1.8 billion yen

Notes:

^{*1} No. of employees is as of October 30, 2017; non-consolidated.

^{*2} Major shareholder and shareholding ratio are as of March 31, 2017.

^{*3} TDSL was established on July 1, 2017 by transferring Toshiba's Industrial ICT Solutions Company to Toshiba Solutions Corporation, which was established on October 1, 2003, by means of a company split.

^{*4} Operating performance and financial condition for TDSL's most recent fiscal year are its non-consolidated results for FY2016, ended March 31, 2017.

4. Future Outlook

TDSL anticipates an operating expense of approximately 3.3 billion yen in relation to implementation of the early retirement incentive program. Toshiba made provision for restructuring in its business results forecast for FY2017, ending March 31, 2018 announced on November 9, 2017, and the 3.3 billion yen will be accommodated by this provision.

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