

May 14, 2020  
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Notice on Dividend: Payment of Year-end Dividend**

TOKYO—Toshiba Corporation (TOKYO: 6502) has announced that its board of directors, has decided to, through a letter of consent, pay a year-end dividend to shareholders recorded in the register of shareholders as of March 31, 2020.

1. Outline

	Decision	Latest plan	Previous
Date of record	March 31, 2020	March 31, 2020	March 31, 2019
Dividend per share	10 yen	10 yen	10 yen
Total amount of dividend	4,535,779,460 yen		5,412,649,620 Yen
Effective date	June 4, 2020		June 4, 2019
Dividend resource	Accumulated earnings		Accumulated earnings

2. Reason for decision

Toshiba has the company policy on dividends, etc that the company intends to maintain average consolidated dividend payout ratio of at least 30% (\*See note at end), and shareholders' equity in excess of the appropriate level of shareholders' equity will be used to provide shareholder returns, including share repurchases.

In a March 20 announcement, "Notice on Plan for Dividend (Year-end Dividend)," Toshiba reported that its board of directors had provisionally decided to pay a dividend of 10 yen per share to shareholders registered as of March 31, 2020. This was restated in an April 18 announcement, "Notice Regarding Postponement of Announcement of Consolidated Financial Results for Fiscal Year 2019, and Change to the Date of Record for the General Meeting of Shareholders." The board has now confirmed this decision, in the same amount as the fiscal year 2018 year-end dividend paid to shareholders registered as of March 31, 2019.

3. Regarding Toshiba's efforts to maximize corporate value

On November 8, 2018, Toshiba announced its plan for corporate transformation, the "Toshiba Next Plan," which has the basic objectives of enhancing shareholder value by maximizing enterprise value, and generating value for customers, business partners and employees. In line with these goals, Toshiba has made investments for growth and

implemented comprehensive measures to improve core earning power that cover structural reform, including divestments; procurement reforms to lower costs; streamlining sales activities and strengthening related systems; sales reform to improve profitability by stringent examinations of project orders; and process reforms that include IT upgrades to improve the operational efficiency and productivity of the entire group.

The plan also calls for proactive capital expenditures, increased investments in R&D that will improve profit and generate future cash flows, and expansion into new businesses.

In steadily promoting the plan, along with some earlier measures taken in response to severe business conditions, Toshiba has implemented the following key steps in respect of structural reform:

- (1) Divestment of BtoC businesses, including home appliances and PCs, which generated low profits
- (2) Withdrawal from overseas nuclear power plant construction to eliminate future risk
- (3) Selling off the liquefied natural gas business in the US which it has categorized as non-core business
- (4) Transfer of the memory business

In addition, Toshiba has improved profitability by promoting comprehensive structural transformation. In addition to reorganizations of production bases, measures taken so far include adjustments to staff organizations in thermal power, system LSI and other businesses, and outsourcing and efficiency improvements in the staff operations of corporate divisions, and at subsidiaries directly managed by corporate divisions. The implementation of a cross-company project advancing reforms in procurement and sales has also recorded successes. Through all these efforts, Toshiba has established a stable portfolio centered on BtoB businesses, largely comprising social infrastructure businesses, which are not easily affected by economic fluctuations, and has strengthened its core profitability.

On the financial side, Toshiba has reduced interest-bearing debt through asset consolidation, and enhanced profitability through measures such as selling businesses, and selling off idle assets and strategic holdings. As a result, the shareholder equity ratio, consistently below 20% for many years, improved to 29% in the first half of fiscal year 2019. Toshiba has realized a sustainable financial position.

The deep uncertainty and severe conditions that COVID-19 has brought into the business environment are expected to continue for some time. But by utilizing its strengthened core

profitability, and by continuing to reinforce it, Toshiba will ensure that it is consistently able to fulfill its social responsibilities through its business operations, including the social infrastructure business that is essential for maintaining society, and seek to realize further growth.

Despite the situation caused by COVID-19, the Toshiba Next Plan is progressing as planned, and Toshiba will continue to follow its policy in respect of dividend payments. Accordingly, the board of directors has decided to pay a dividend of 10 yen per share to shareholders registered as of March 31, 2020.

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**Disclaimer:**

This report of business results contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on Toshiba's assumptions and beliefs in light of the data currently available to the Company. Actual results are subject to a number of risks and uncertainties and may differ significantly from Toshiba's assumptions. Major risk factors are as indicated below, though this list is not necessarily exhaustive.

- Major disasters, including earthquakes and typhoons;
- Lawsuits or other disputes in Japan or in other countries;
- Success or failure of businesses promoted by Toshiba Group in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political or economic conditions in Japan or abroad; or regulatory changes;
- Rapid changes in the supply and demand situation in major markets or intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market;
- Changes in financial markets, including fluctuations in interest rates and exchange rates.

(\*Note) For the time being, equity method profit and loss for Kioxia Holdings Corporation is excluded from Toshiba's policy on shareholder returns.