

May 13, 2019
Toshiba Corporation

FOR IMMEDIATE RELEASE

Notice on Result of the Early Retirement Incentive Programs and Announcement of Toshiba Electronic Devices & Storage Corp. Early Retirement Incentive Program

TOKYO—Toshiba Corporation (TOKYO: 6502) hereby announces the results of a recent early retirement incentive program, as introduced in its November 8, 2018 announcement: “Toshiba Group to Implement Early Retirement Incentive Programs as Part of Structural Reform”.

Further to this, Toshiba today announced that Toshiba Electronic Devices & Storage Corporation (hereinafter “TDSC”) and some of its subsidiaries will also implement an early retirement incentive programs, as part of the structural reform of the System LSIs business.

1. Outline of early retirement incentive program (announced on November 8, 2018)

- a. Businesses covered: Toshiba Corporation, Toshiba Energy Systems & Solutions Corporation (ESS), Toshiba Digital Solutions Corporation (TDSL), and certain of their subsidiaries.
- b. Eligibility: Employees who meet criteria individually decided by Toshiba, ESS, TDSL and the selected subsidiaries.
- c. Target number: The scope was 1,060 employees in total: 200 at Toshiba, including its subsidiaries; 800 at ESS, including its subsidiaries; and 60 at TDSL.
- d. Application period: Last half of FY2018
- e. Retirement date: March 31, 2019
- f. Incentives: Payment of an early-retirement incentive in addition to regular retirement benefit, plus provision of outplacement services on request

2. Results

In all, 823 employees applied: 339 at Toshiba, including its subsidiaries; 427 at ESS, including its subsidiaries; and 57 at TDSL.

While the number of applicants totaled 823 against an anticipated approx. 1,060, ESS also carried out personnel assignments outside the Group, in addition to the early retirement incentive program. Through its future personnel planning, ESS expects to be able to reach its initial target, as does Toshiba Group as a whole.

3. Outlook

Costs incurred in carrying out the program and providing outplacement service are estimated at approximately 8.0 billion yen in FY2018, and they are reflected in the FY2018 consolidated business results announced today.

4. Outline of TDSC Early Retirement Incentive Program

After giving full consideration to the changes in TDSC's business environment since the November 8, 2018 announcement of the Toshiba Next Plan, Toshiba today decided that the company will implement structural reforms to realize a personnel structure commensurate with the company's sales and business scale. These will include implementation of an early retirement incentive program in TDSC's System Devices Division, its corporate staff and sales staff, and at certain of its subsidiaries.

Applications for the program will be accepted in due course, and those selected will leave the company by the end of September 2019. They will receive an early-retirement incentive in addition to regular retirement benefit, plus provision of outplacement services on request. The anticipated scope of the program, and the related structural reforms, is some 350 employees in all. The cost of the program and outplacement service are estimated at approximately 6.4 billion yen, which will be recorded in the fiscal term ended March 31, 2020.

The impact of the program has been incorporated into the consolidated forecast for FY2019 (April 1, 2019-March 31, 2020) separately announced today. The decision to implement structural reforms at TDSC was made on the basis of information currently available, and final figures may change, depending on any future changes in the company's situation.

5. Outline of TDSC

- (1) Name: Toshiba Electronic Devices & Storage Corporation
- (2) Address: 1-1 Shibaura 1-chome, Minato-ku, Tokyo
- (3) Name and title of representative: Hiroshi Fukuchi President & CEO
- (4) Business outline: Development, manufacturing and sales of discrete semiconductors, system LSIs, HDDs, and related products. Businesses related to the above
- (5) Capital Stock: 10,000 million yen