

May 29, 2020
Toshiba Corporation

FOR IMMEDIATE RELEASE

Notice Regarding Incorporation of Toshiba Subsidiary

TOKYO—Toshiba Corporation (TOKYO: 6502, hereinafter Toshiba) today announced that it will establish a new wholly owned subsidiary.

1. Objective of the Incorporation

On November 8, 2018, Toshiba announced the "Toshiba Next Plan," the blueprint for the corporate transformation of Toshiba Group. Goals defined in the plan include improving core earning power, and a comprehensive transformation to become a cyber-physical systems (CPS) technology company.

Measures to achieve these goals include advancing process reforms, among them the group-wide standardization and digitization of operations through a 140 billion yen investment in building a next-generation core system and promoting reforms of engineering processes.

In 2019, Toshiba defined an enterprise architecture (EA) for Toshiba Group, detailing the ideal status that all of its businesses and systems should achieve. The company also defined 'T1,' a group of key projects essential for realizing the EA. The scope of 'T1' includes large-scale, group-wide projects that will construct a next-generation core system, and engineering process reform. Toshiba is now establishing a new wholly-owned subsidiary dedicated to ensuring the success of the 'T1' projects.

The establishment of the new subsidiary will allow Toshiba to work with partners for the medium to long term, the timeframe required to carry out the 'T1' reforms, and to build a governance and information sharing system that supports smooth collaboration among personnel brought together from inside and outside Toshiba Group. It will also create a dedicated environment where people can concentrate on project-related work.

2. Outline of the Subsidiary

(1) Name	Toshiba T1 Projects Corporation (provisional)	
(2) Address	1-1, Shibaura 1-Chome, Minato-ku, Tokyo, Japan	
(3) Name and Title of Representative	Takaaki Onishi, President and CEO	
(4) Business Outline	System planning, development, operation, etc.	
(5) Capital Stock	100 million yen (provisional)	
(6) Establishment	July 1, 2020 (provisional)	
(7) Relationship between Toshiba and the subsidiary	Capital	Toshiba will own 100% of the outstanding shares of the company
	Personnel	Toshiba executives and employees will be concurrently assigned to the subsidiary as directors and executive officers.
	Business	Toshiba and its other subsidiaries will provide the subsidiary with shared services in certain areas of business operation.

3. Future Outlook

Toshiba does not expect the incorporation of the wholly owned subsidiary to have a significant impact on its financial statements for FY2020.

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