

November 7, 2019  
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Notice Regarding Transfer of Shares of Toshiba's Consolidated Subsidiaries  
in the Personnel Dispatch and General Affairs Service Businesses**

TOKYO—Toshiba Corporation (TOKYO: 6502, hereinafter Toshiba) has announced that it will transfer outstanding shares of its consolidated subsidiaries in the personnel dispatch and general affairs service businesses to UT Group Co., Ltd. (hereinafter UT Group). Toshiba and UT Group today signed a share purchase agreement that anticipates completion of all necessary procedures by the beginning of April 2020.

Toshiba Business & Life Service Corporation (hereinafter TBLS), a wholly owned subsidiary of Toshiba, will transfer its personnel dispatch and some general affairs service businesses to TBLS Service Business Corporation (hereinafter TSV), a wholly owned subsidiary of TBLS, by means of simplified absorption-type company split, with an effective date of April 1, 2020. Toshiba Group will subsequently transfer all outstanding shares of TSV to UT Group on the same day.

Toshiba Information Systems Corporation (hereinafter Toshiba Information Systems) will transfer all outstanding shares of Toshiba Information System Products Incorporated (hereinafter TJPRO) and 80% of Toshiba Office Mate Co., Ltd. (hereinafter TOM) to UT Group on April 1, 2020. Toshiba Information Systems will subsequently transfer the remaining 20% TOM's shares to Toshiba on the same day. TJPRO and TOM are wholly owned subsidiaries of Toshiba Information Systems, a consolidated subsidiary of Toshiba Group.

1. Reason for the Transfer

TBLS, TSV, TJPRO and TOM provide personnel dispatch and general affairs services within and outside Toshiba Group. However, as detailed in the Toshiba Next Plan announced on November 8, 2018, Toshiba is working to improve profitability by optimizing its business operations and reducing the number of subsidiaries. Accordingly, Toshiba today determined to transfer the businesses to UT Group, a specialist in these business area that has a strong customer base and related industry know-how, with the aim of securing the further growth of the businesses.

## 2. Transfer Method

### (1) Outline of Subsidiaries to be transferred

#### a) TSV

Toshiba Group will transfer all outstanding shares of TSV to UT Group, after TBLS transfers its personnel dispatch and some part of its general affairs service businesses to TSV, by means of a simplified absorption-type company split. The net sales of the TBLS businesses that will be split or absorbed stand at 5.4 billion yen (fiscal year ended March 2019), and they have total assets of 0.4 billion yen\*<sup>1</sup>. Information on TSV following the company split is not yet available, but its recent status is as follows.

\*<sup>1</sup> Total assets here is a forecast based on the actual amount as of March 31, 2019. It is possible that they may differ at the time of the company splits.

#### (Outline of TSV)

(1) Name	TBLS Service Business Corporation (TSV)		
(2) Address	Head Office: Kawasaki Nisshin-Cho Bldg, 7-1 Nisshin-Cho, Kawasaki-ku, Kawasaki-shi, Kanagawa, Japan		
(3) Name and Title of Representative	Fumiaki Ushio, President & CEO		
(4) Business Outline	Personnel dispatch and general affairs service businesses		
(5) Capital Stock	20 million yen		
(6) Establishment	April 3, 2006		
(7) Major Shareholders and Shareholding Ratios	TBLS 100%		
(8) Relationship between Toshiba and TSV	Capital	Toshiba indirectly owns 100% of outstanding shares of TSV	
	Personnel	None	
	Business	None	
(9) Operating Performance and Financial Condition in the Last Three Fiscal Years (Non-consolidated)			
Fiscal Years	FY2016 (ending 2017/03)	FY 2017 (ending 2018/03)	FY2018 (ending 2019/03)
Net Assets (Equity)	191 million yen	50 million yen	89 million yen
Total Assets	475 million yen	364 million yen	154 million yen
BPS	477,037.49 yen	124,164.26 yen	223,416.52 yen
Sales	918 million yen	1,050 million yen	464 million yen

Operating Income	213 million yen	-39 million yen	27 million yen
Recurring Profit	252 million yen	40 million yen	67 million yen
Net Income	166 million yen	25 million yen	45 million yen
EPS	414,537.60 yen	61,663.77 yen	111,292.26 yen
Dividend per Share	48,463 yen	414,537 yen	12,040 yen

b) TJPRO

(1) Name	Toshiba Information System Products Incorporated (TJPRO)		
(2) Address	Head Office: 1-53 Nisshin-Cho, Kawasaki-ku, Kawasaki-shi, Kanagawa, Japan		
(3) Name and Title of Representative	Hideji Goro, President & CEO		
(4) Business Outline	Purchasing agency services and sales of office supplies		
(5) Capital Stock	50 million yen		
(6) Establishment	June 7, 2002		
(7) Major Shareholders and Shareholding Ratios	Toshiba Information Systems Corporation *2 100%		
(8) Relationship between Toshiba and TJPRO	Capital	Toshiba indirectly owns 80% of outstanding shares of TJPRO	
	Personnel	None	
	Business	Toshiba and its subsidiaries have business transaction with TJPRO in purchase of IT related products and services.	
(9) Operating Performance and Financial Condition in the Last Three Fiscal Years (Non-consolidated)			
Fiscal Years	FY2016 (ending 2017/03)	FY 2017 (ending 2018/03)	FY2018 (ending 2019/03)
Net Assets (Equity)	156 million yen	140 million yen	123 million yen
Total Assets	2,613 million yen	2,669 million yen	2,697 million yen
BPS	155,705.55 yen	139,894.76 yen	123,202.95 yen
Sales	6,773 million yen	6,993 million yen	6,929 million yen
Operating Income	107 million yen	57 million yen	58 million yen
Recurring Profit	118 million yen	91 million yen	69 million yen
Net Income	74 million yen	58 million yen	41 million yen

EPS	73,869.96 yen	58,059.11 yen	41,367.29 yen
Dividend per Share	101,777 yen	73,869.90 yen	58,059.10 yen

\*<sup>2</sup> Toshiba Group owns 80% of the total shares of Toshiba Information Systems Corporation.

c) TOM

Name: Toshiba Office Mate Co., Ltd (TOM)

Address: 1-53 Nisshin-Cho, Kawasaki-ku, Kawasaki-shi, Kanagawa, Japan

Name and Title of Representative: Shigeru Osada, President & CEO

Business Outline: Personnel dispatch, printing and data processing services

Capital Stock: 90 million yen (Toshiba Information Systems Corporation\*<sup>3</sup> 100%)

\*<sup>3</sup> Toshiba Group owns 80% of the total shares of Toshiba Information Systems Corporation.

(2) Outline of Purchaser

(1) Name	UT Group Co., Ltd	
(2) Address	Denpa Bldg. 6F, 1-11-15, Higashi-Gotanda, Shinagawa-ku, Tokyo, Japan	
(3) Name and Title of Representative	Yoichi Wakayama, President, Representative Director & CEO	
(4) Business Outline	Dispatch and outsourcing of permanent employees in manufacturing, design and development, construction, and other sectors	
(5) Capital Stock	686 million yen (as of March 31, 2019)	
(6) Establishment	April 2, 2007	
(7) Consolidated Net Assets (Equity)	12,996 million yen (as of March 31, 2019)	
(8) Consolidated Total Assets	33,720 million yen (as of March 31, 2019)	
(9) Major Shareholders and Shareholding Ratios	Yoichi Wakayama 22.37% Trust & Custody Services Bank, Ltd. (trust accounts) 8.47% Copernics Co., Ltd. 4.50% Japan Trustee Services Bank, Ltd. (trust accounts) 3.76% The Master Trust Bank of Japan, Ltd. (trust account) 3.08% (as of March 31, 2019)	
(10) Relationship between Toshiba and UT Group	Capital	None
	Personnel	None
	Business	None

	Status of Related Parties	None
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(3) Number of shares held by Toshiba Group before and after the transfer

	TSV	TJPRO	TOM
(1) Number of shares held before the Transfer	400 shares (100% of the total share)	1,000 shares (100% of the total share)* <sup>4</sup>	1,800 shares (100% of the total share)* <sup>4</sup>
(2) Number of shares transferred	400 shares (100% of the total share)	1,000 shares (100% of the total share)* <sup>4</sup>	1,440 shares (80% of the total share)* <sup>4</sup>
(3) Purchase price	850 million yen* <sup>5</sup>		
(4) Number of shares after the Transfer	0 shares (0% of the total share)	0 shares (0% of the total share)* <sup>4</sup>	0 shares (0% of the total share)* <sup>4</sup>

\*<sup>4</sup> Toshiba Information Systems Corporation's ownership ratios are indicated in the table as above. 20% of the total share of TOM will be transferred to Toshiba.

\*<sup>5</sup> The purchase price is estimated based on the status of TBLS's personnel dispatch business and some part of its general affairs service business as of March 31, 2019, and on TSV, TJPRO and TOM's financial condition as of the same date. The final purchase price will be determined based on the financial condition of the companies at the closing, and is subject to adjustment.

Schedules

(1) Resolution	November 7, 2019 (today)
(2) Signing of the Share Purchase Agreement	November 7, 2019 (today)
(3) Expected completion of the Transfer	April 1, 2020 (planned)

3. Future Outlook

Toshiba expects to record a profit from the transfer of around 800 million yen, on an approximate calculated basis (consolidated basis, before tax) in its FY2020 consolidated results. This transfer has no impact on the full year consolidated business forecast for FY2019, as detailed in the August 7, 2019 announcement, "Toshiba Announces Consolidated Results for the First Quarter of the Fiscal Year 2019, Ending March 2020".

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