



TOSHIBA

Toshiba IR Day 2019

Moving towards becoming a CPS Technology Company

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Toshiba Corporation

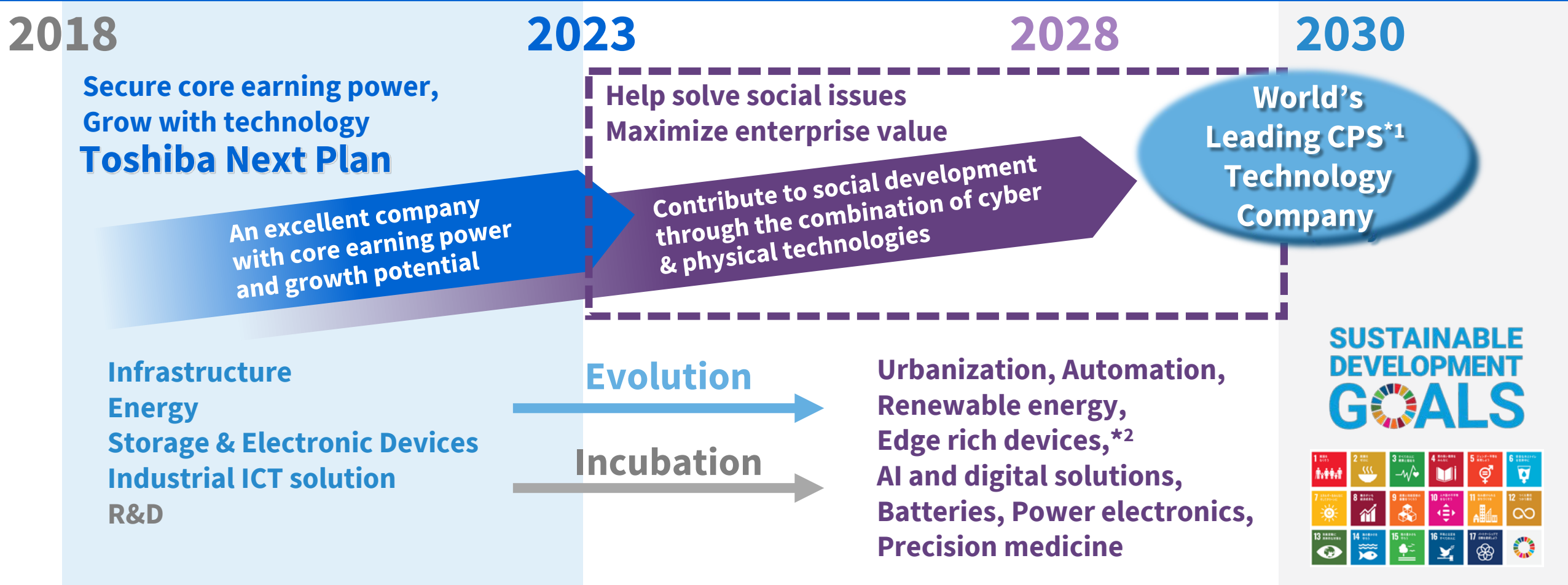
November 14, 2019

Forward-looking Statements

- This presentation contains forward-looking statements concerning future plans, strategies, and the performance of Toshiba Group.
- These statements are not historical facts; rather, they are based on assumptions and judgments formed by the management of Toshiba Group in light of currently available information. They include items that have not been finally decided at this point and future plans that are yet to be confirmed or that require further consideration.
- Since Toshiba Group promotes business in various market environments in many countries and regions, its activities are subject to a number of risks and uncertainties that are, without limitation, related to economic conditions, worldwide mega-competition in the electronics business, customer demand, foreign currency exchange rates, tax rules, regulations, geopolitical risk, natural disasters and other factors. Toshiba therefore wishes to caution readers that actual results might differ from expectations. Please refer to the annual securities report (*Yuukashoken houkokusho*) for FY2018 and the quarterly securities report (*shihanki houkokusho*) for the second quarter of FY2019 (both issued in Japanese only) for detailed information on Toshiba Group's business risk.
- Toshiba's fiscal year (FY) runs from April 1 to March 31. All figures are consolidated totals for 12 months, unless otherwise stated.
- Results in segments have been reclassified to reflect the current organizational structure, unless otherwise stated.

Toshiba Group's Vision

Become the world's leading CPS*¹ technology company, ensure profitability by implementing the Toshiba Next Plan

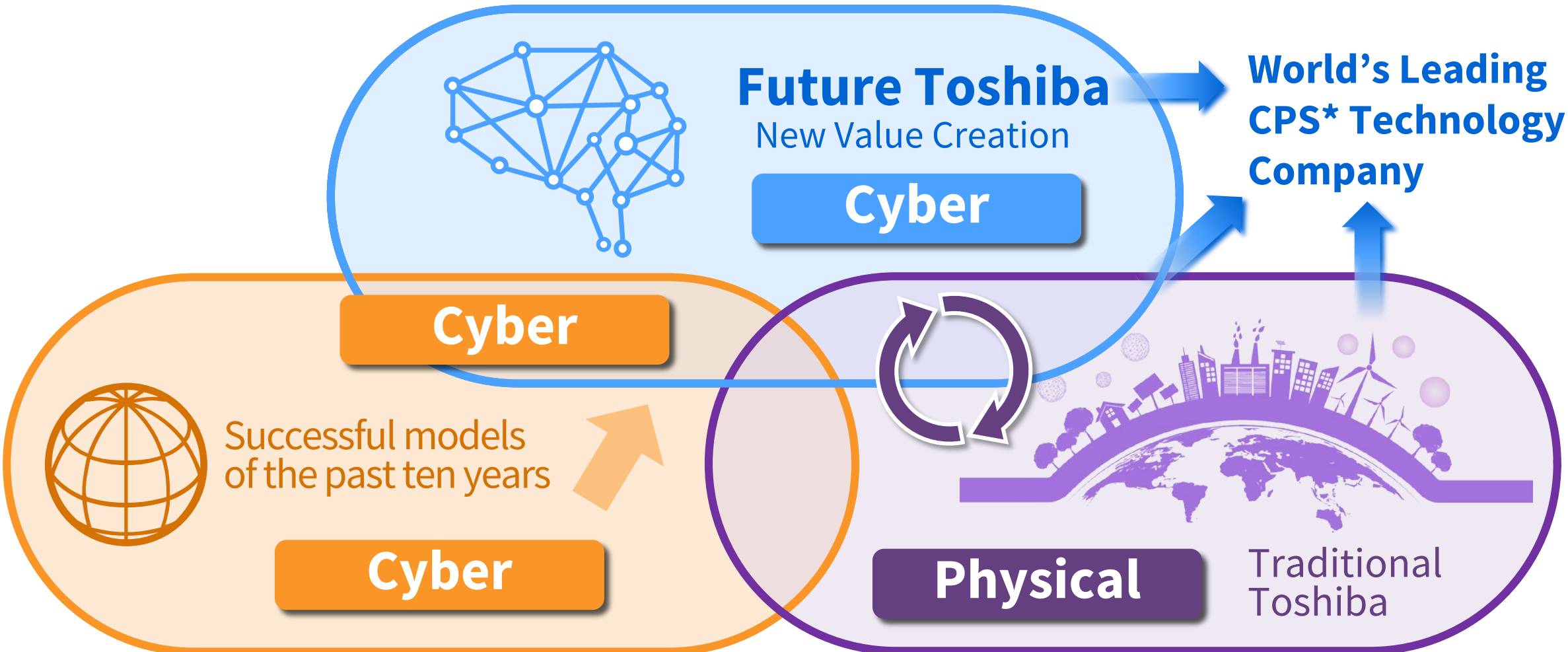


*1:CPS(Cyber Physical Systems): CPS collect data from the physical world to be analyzed and processed using digital technology. CPS create value through a constant feedback loop between the cyber and physical worlds.

*2:Devices that use sensing technology such as LIDAR, Spin MEMS, hydrogen sensors, pressure sensors, RIG (rate integrating gyroscope), and ULP gyro

The Traditional Toshiba and the New Toshiba

Realize the New Toshiba by the fusion of cyber and physical businesses



**World's Leading
CPS* Technology
Company**

Future Toshiba
New Value Creation

Cyber

Cyber

Successful models
of the past ten years

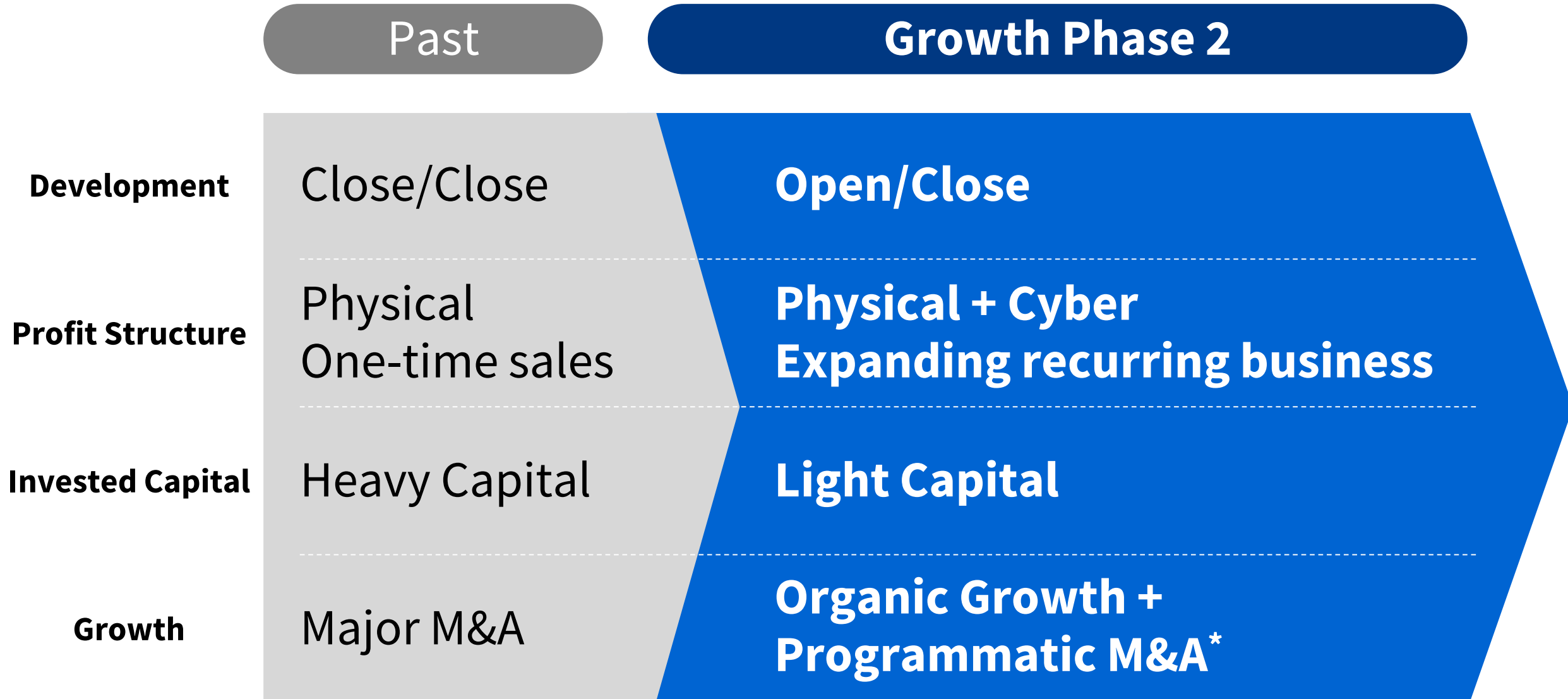
Cyber

Physical

Traditional
Toshiba

*:CPS(Cyber Physical Systems):CPS collect data from physical world to be analyzed and processed using digital technology.
CPS create value through constant feedback loop between the cyber and physical worlds.

Transformation towards a CPS Technology Company



*:Not major M&A encountered opportunistically, but focused on areas that are adjacent and complementary. Carry out planned, small scale M&A as part of annual business strategy.
60 % of companies with top 100 market cap in past decade (2007-2017) employ this method. (Source: McKinsey & Company)

The Road to CPS

- ✓ **A revolution in the employees' mindset**
- ✓ **Cultivation of business creators**
- ✓ **Creation of a culture small failures**
- ✓ **End closed innovation**

Business Creation

Stimulate new ideas



Over 100 new business ideas have been identified periodic in-house pitches

Accelerate development with the in-house fund



Establishing CPS Fund for creation and acceleration of new businesses

External cooperation through open innovation

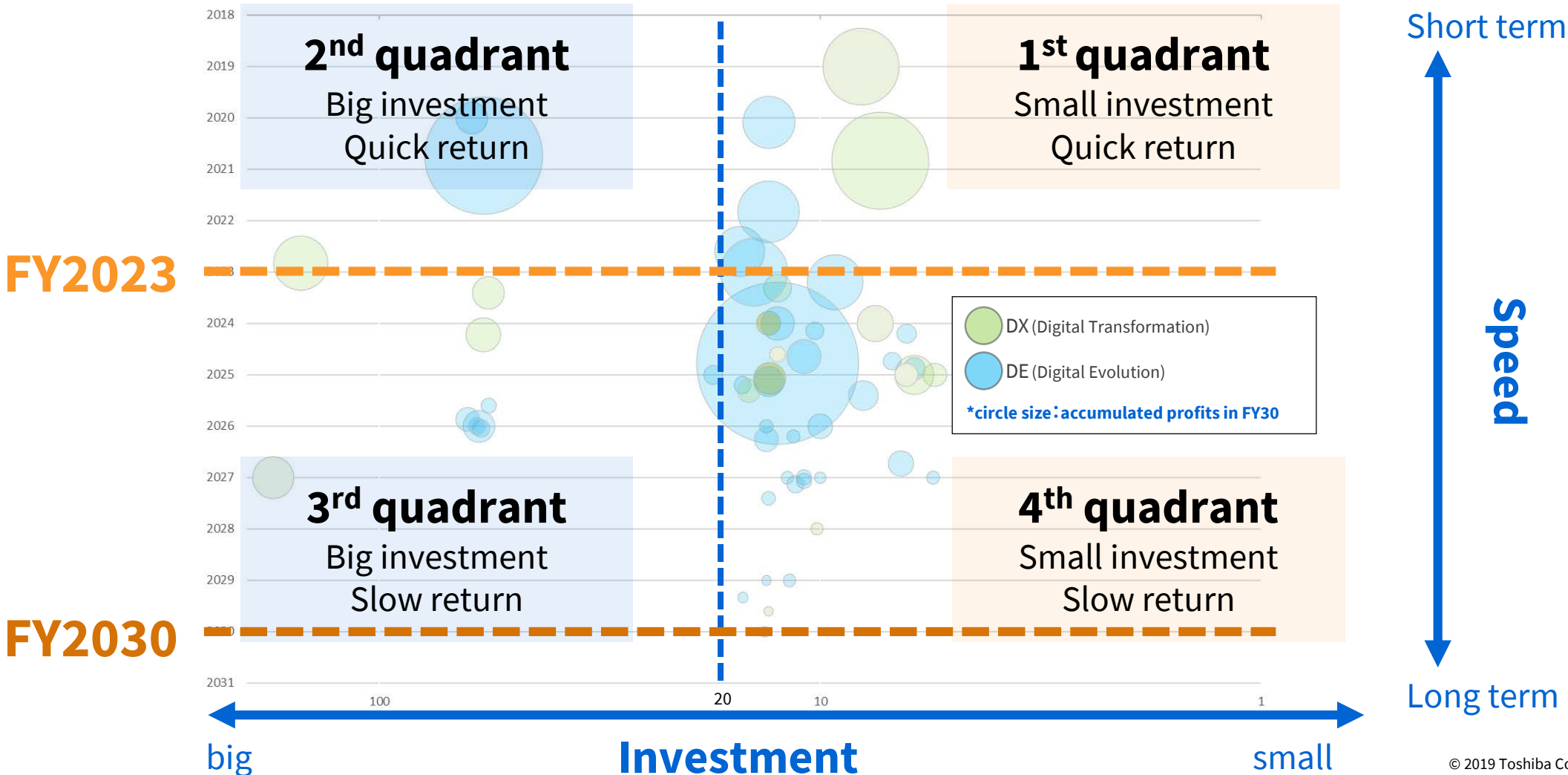


TOSHIBA + External accelerator

Development of new business models

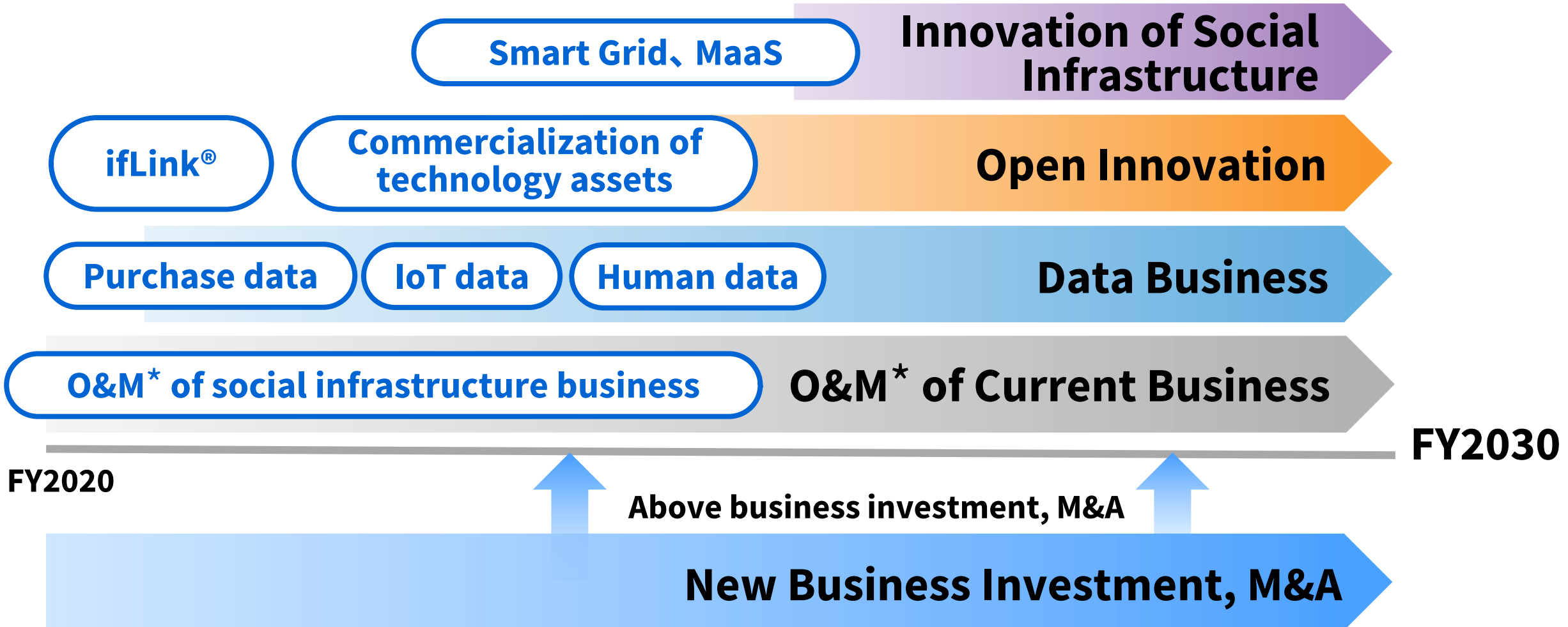
Toshiba's CPS Business Portfolio

Develop new business ideas with small investment, targeting FY2030



Toshiba CPS Business Roadmap

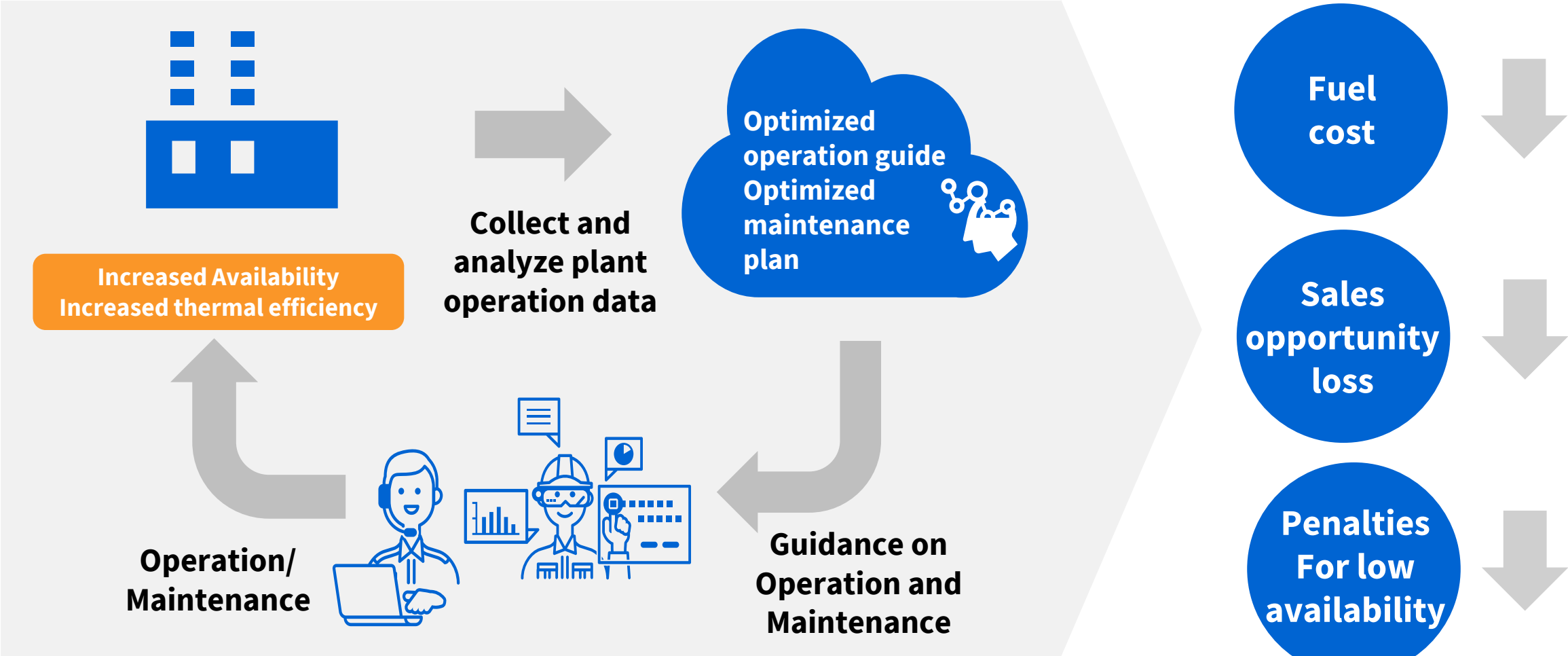
Develop new businesses step by step, for innovation of social infrastructure



*:Operations and Maintenance

O&M of Current Business : Power Generation

Deploying PoC in Mexico, India and Japan



Data Business : Concept (Purchase Data)

Create better future providing valuable receipt data with safe and secure



More convenient, comfortable and better lives

Consumer

Expand personal-use
value added services

Cyber company



Stimulate regional economy
Raise productivity

Area/Workplace



Increase own-products sales

Manufacture



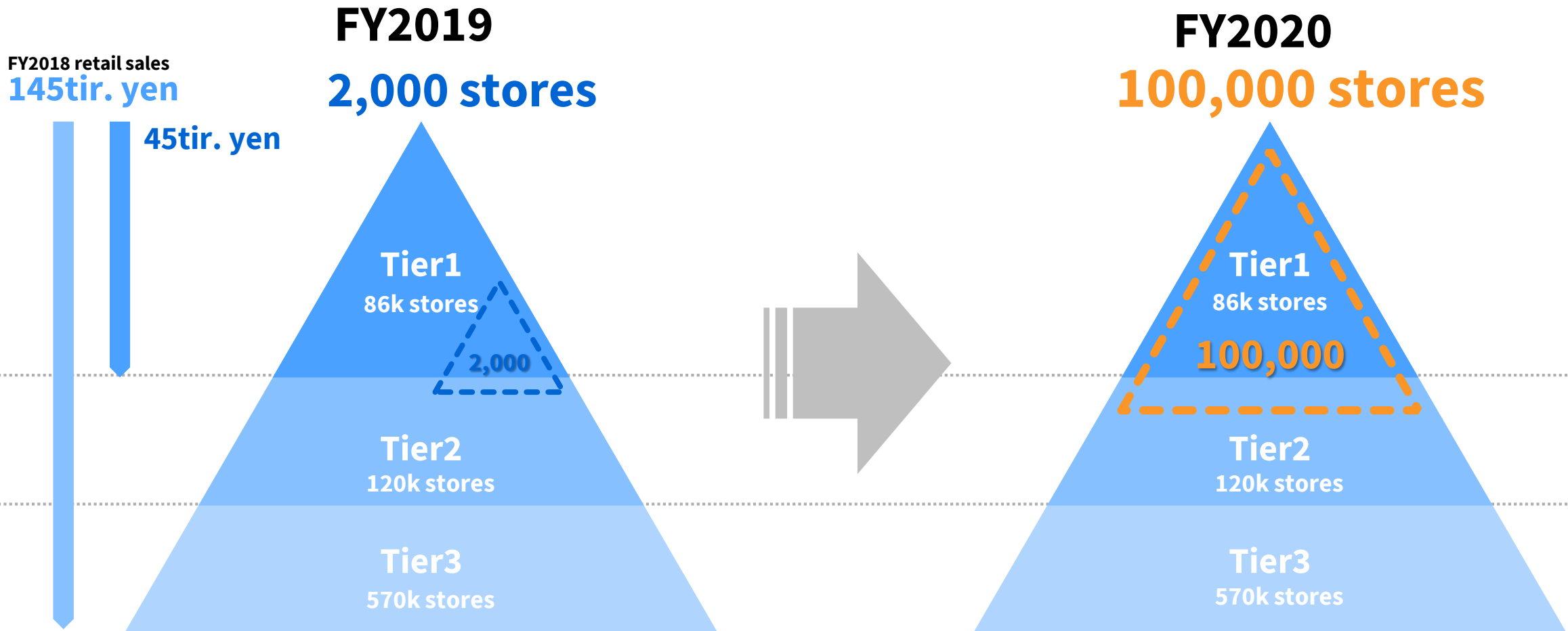
Increase in-store sales

Retailer



Data Business : Accelerator Program (Purchase data)

Establish database based on No.1 share in POS business
Expand stores with business partners



Improve user-friendliness by tie-ups with Mobile T CARD & Smart Receipt

Tie up with “Mobile T Card” & “Smart Receipt”

From FY2020, we can use e-receipts
in the Mobile T- Point app.

あなたのスマホがTカードに!
モバイルTカード



- Tカードを忘れても安心
- T-POINT Tポイントが貯まる・使える
- T-MONEY Tマネーでお財布いらず!

Tie up



スマートレシート

スマホにレシートが届く、便利なアプリ

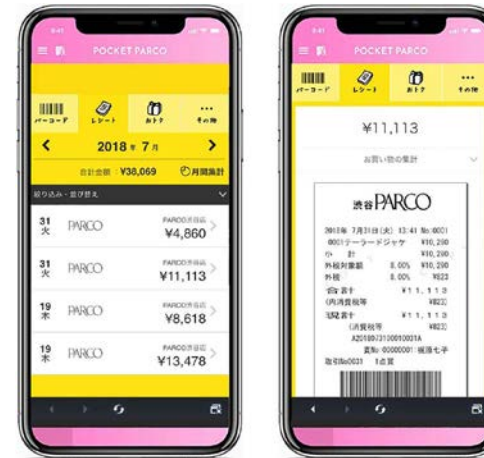
Adopted by “Shibuya PARCO”

Using Smart Receipt to prove e-receipts for users of POCKET PARCO, the official PARCO app.

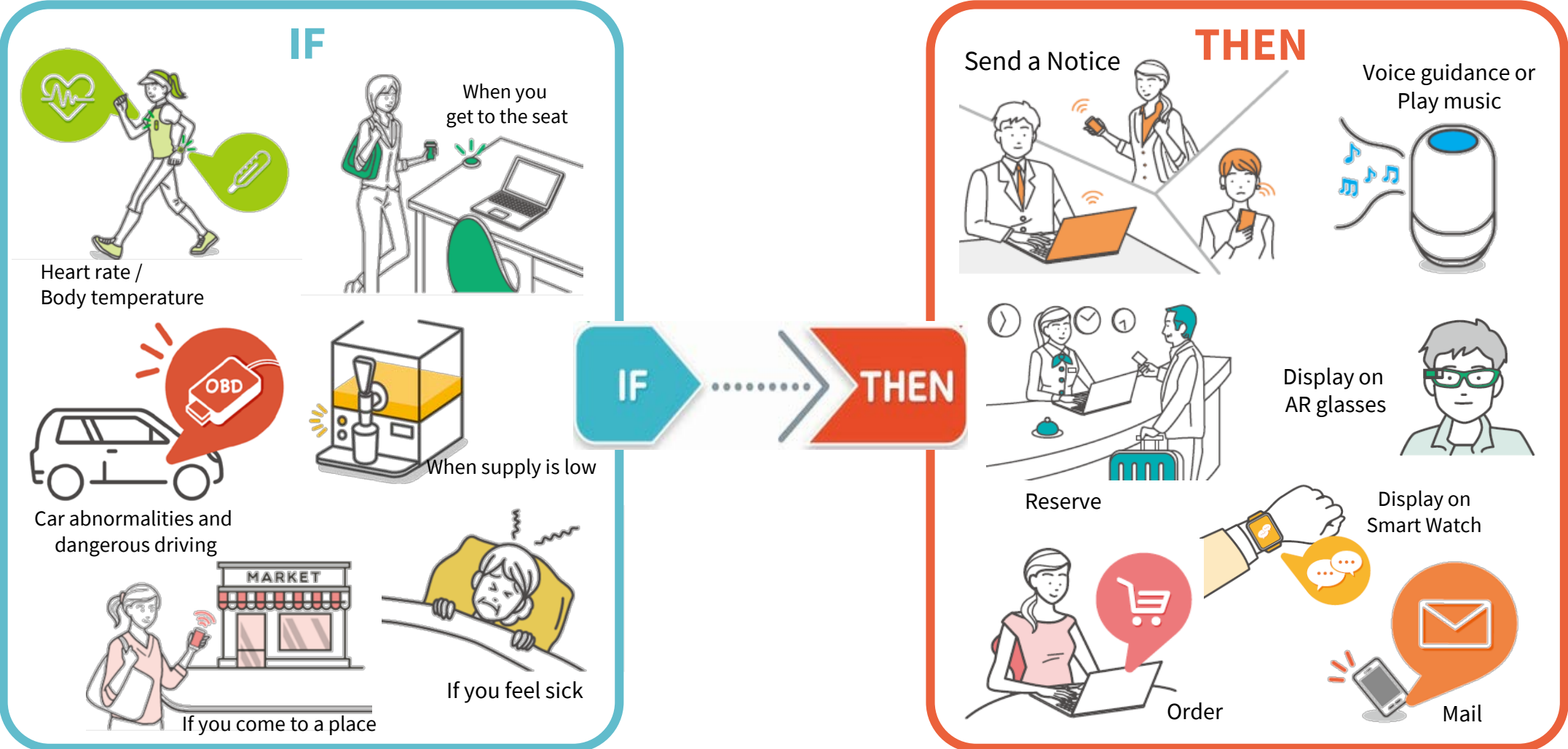


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Nov.22 open 「Shibuya PARCO」



Realize IoT by an “IF-THEN” combination



Open Innovation : IF-THEN Card

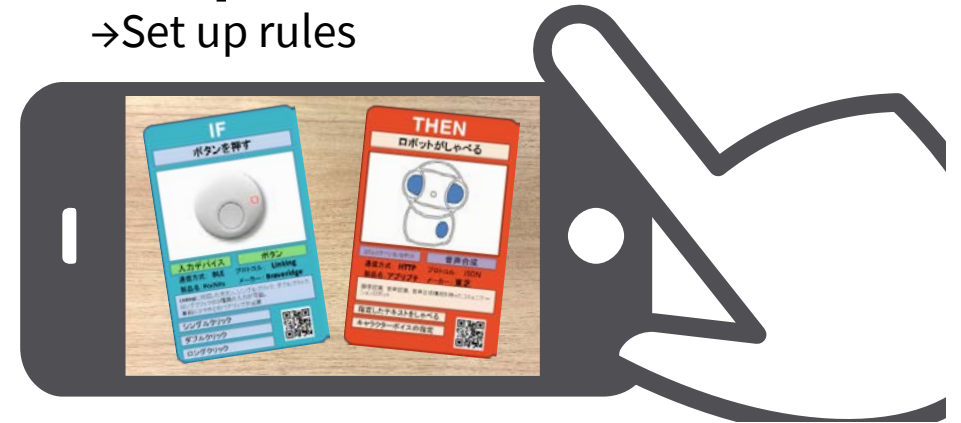
Only reading the cards by smartphone, it realized the device connection

Combination

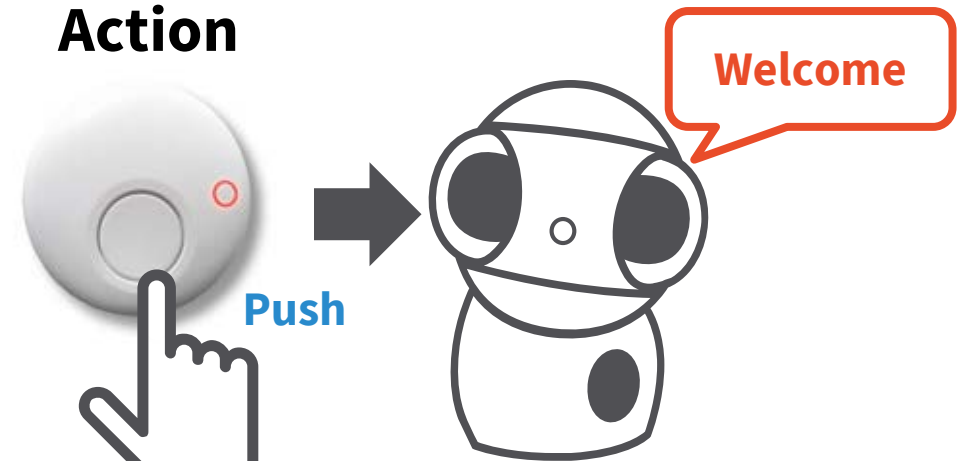


Take photo

→Set up rules



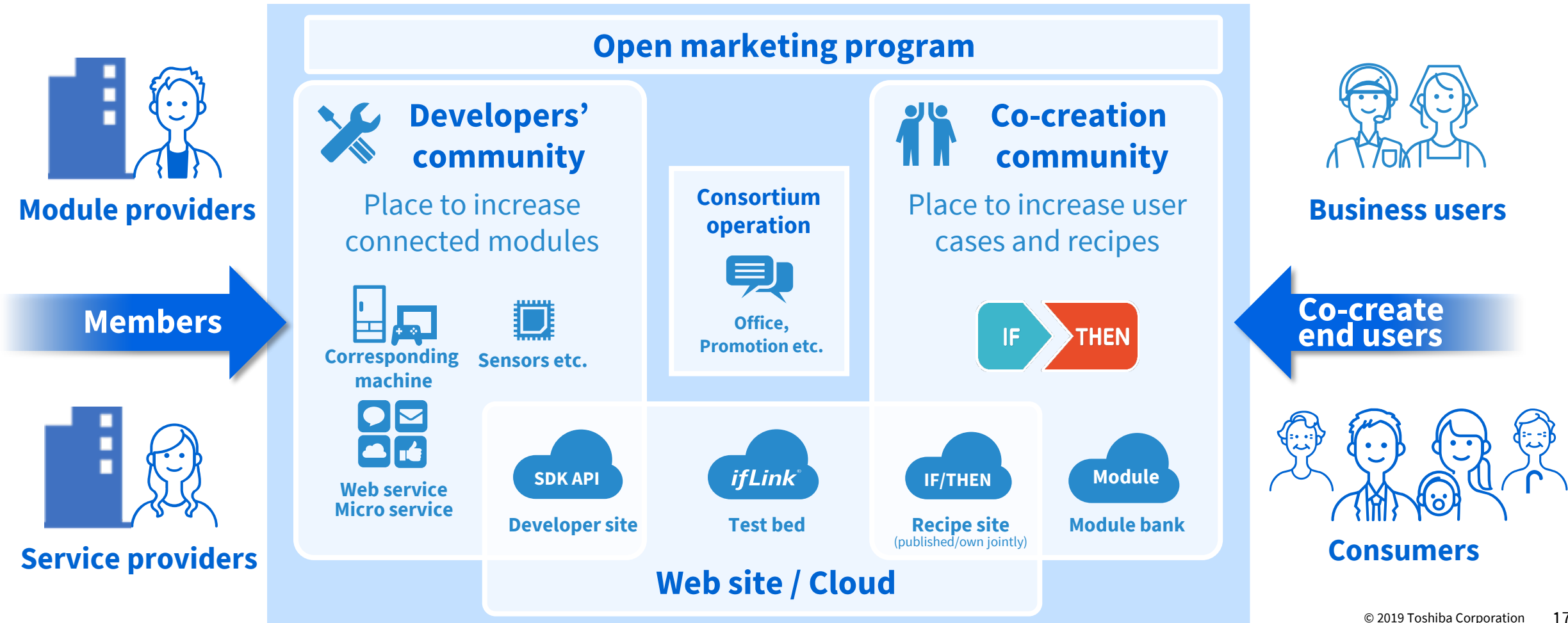
Action



Open Innovation : ifLink® Open community

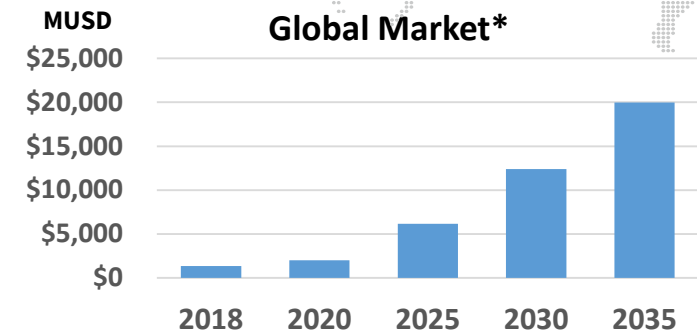
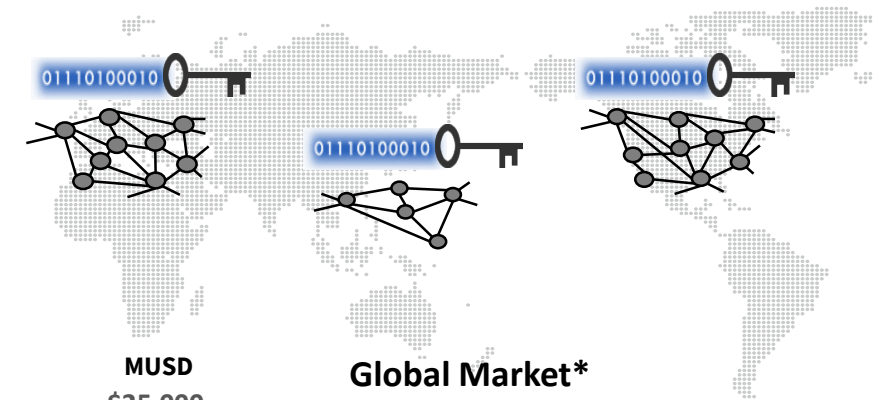
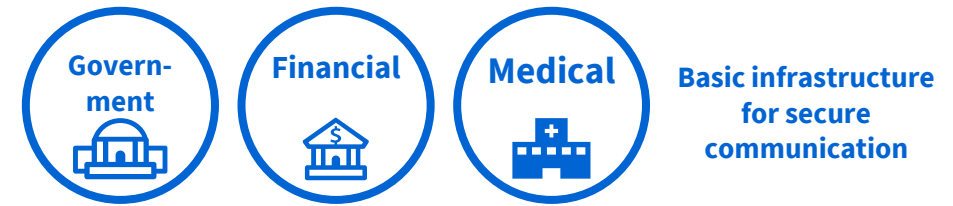
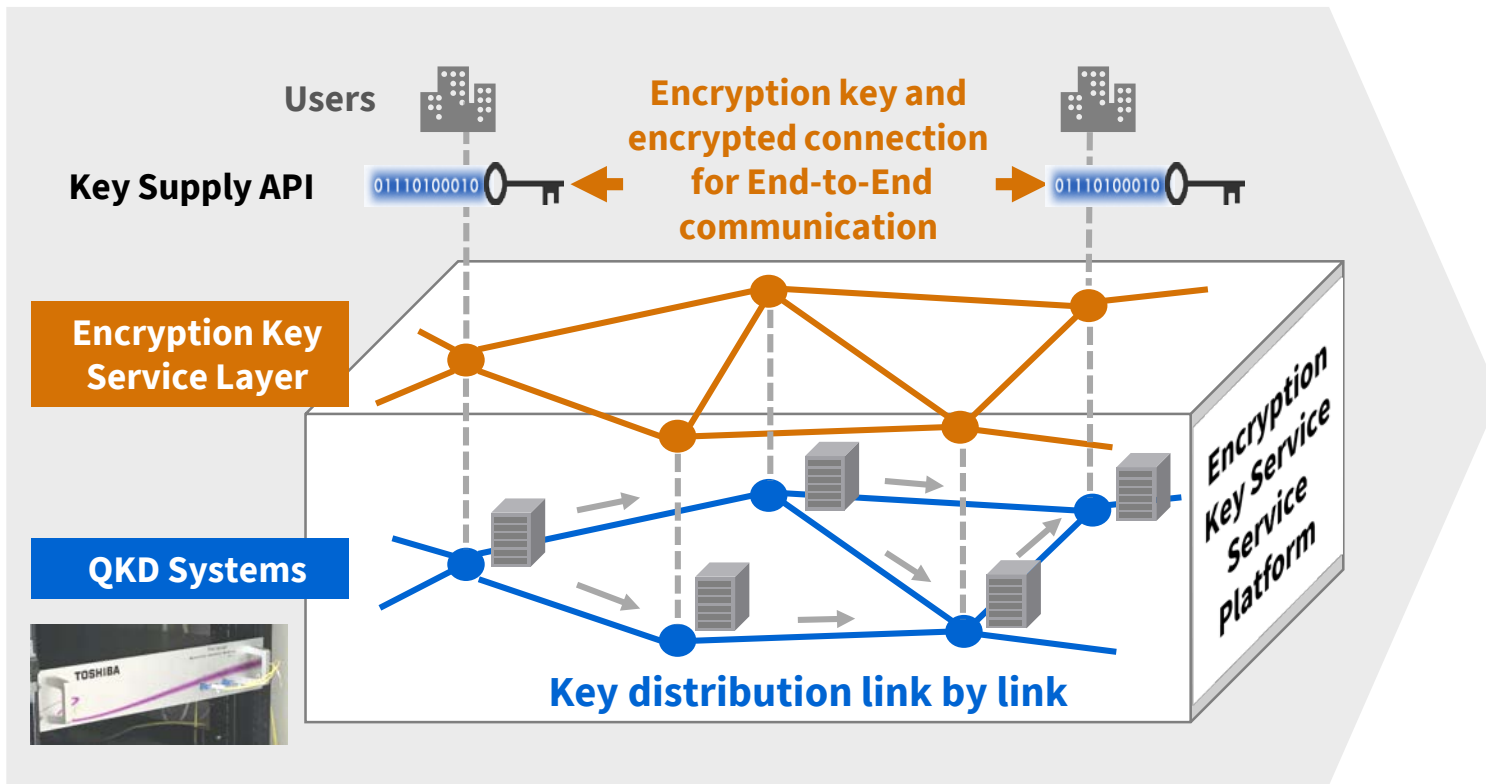
ifLink® Open community

To make a world where people can freely combine modules and create value and participating companies' business grows spontaneously



Open Innovation : Quantum Key Distribution (QKD)

Use our world's #1 technologies to establish de facto standard in global market for "Encryption key supply service"



QKD Systems + Encryption Key Service Layer
to be promoted as our platform for QKD service

*:Toshiba's long term forecast based on Quantum Xchange's mid-term forecast.

Innovation of Social Infrastructure : SCiB™ Rechargeable Battery

Contributing to a sustainable electrification society

Strength of SCiB™

SCiB™ Six Features of SCiB™

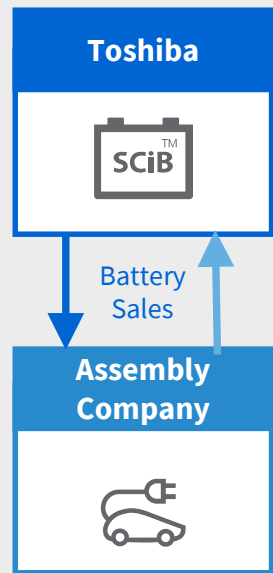


SCiB provides features required for electrification, i.e.,

- Rapid Charging
- Long Life

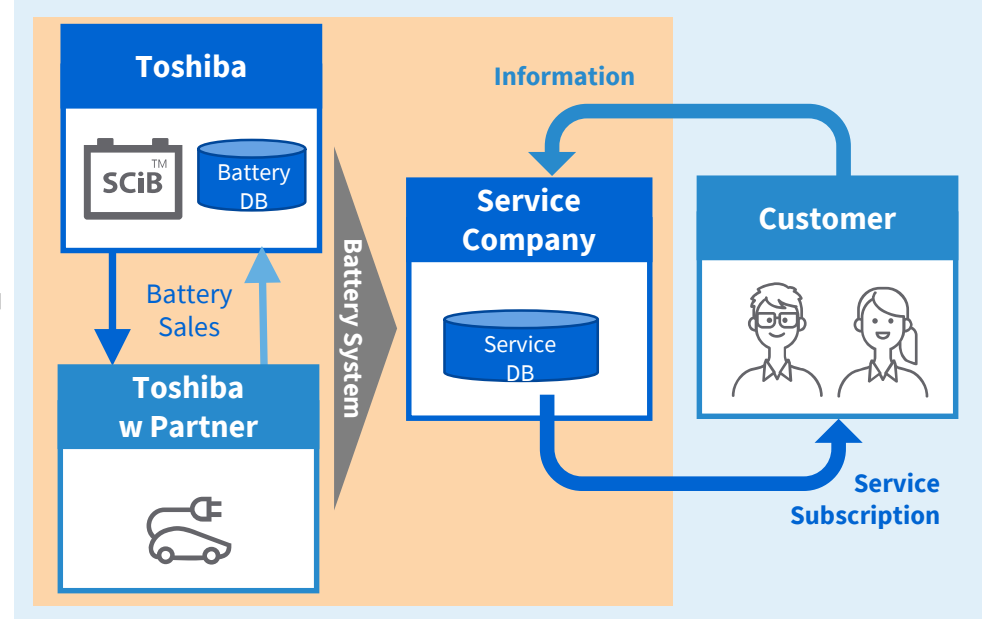
Featured technology in the "Novel Prize"

"Battery Product(Sales)"



+

"Battery Service(As a Service)"



Focus Area

EV(Car Sharing)

EV Bus

Railway

Electric Power & Energy

AGV

Target for Toshiba CPS business

Target High profitability & High growth

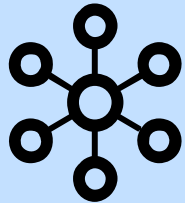
Target

**High
profitability**

**High
growth**

Conditions

**Data
centric**



**Utilize own
assets**



**Light
assets**



**Recurring
Business model**



**The customer base, technologies and products
that Toshiba has accumulated over many years**



**Committed to People,
Committed to the Future.**

TOSHIBA