

**TOSHIBA**

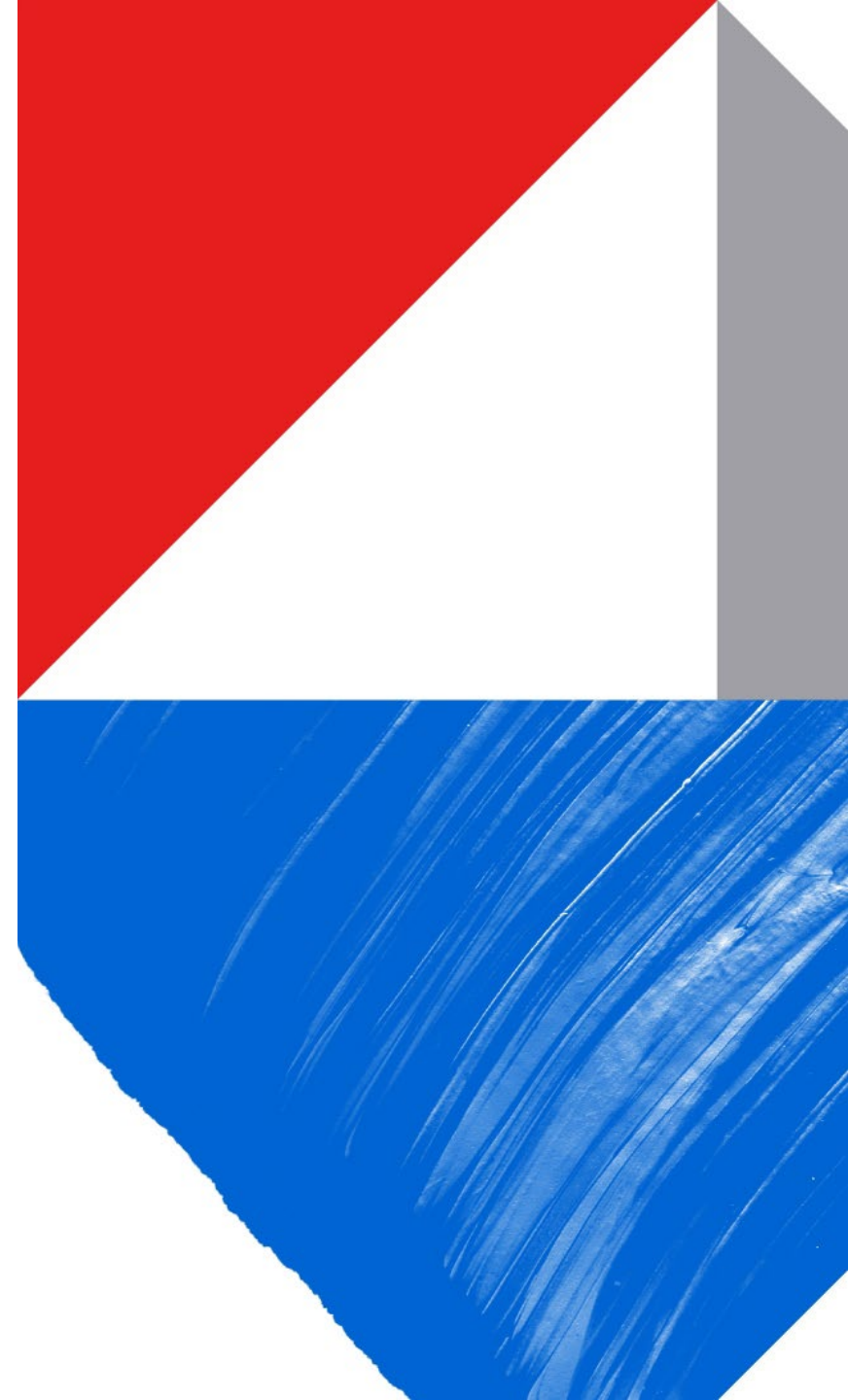
# Update on the EGM

February 14, 2022

**Toshiba Corporation**

President and CEO

**Satoshi Tsunakawa**



# Key Points of the Company Proposal (No. 1)

## Spin-off Plan

- We refined the transaction scheme for the spin-off plan announced in November 2021 based on dialogue with various stakeholders
- We will spin off the Electronic Devices & Storage business as a new listed company, resulting in 2 independent companies: Toshiba/Infrastructure Services Co. and Device Co.

## Kioxia Shares

- Monetize shares as soon as practicable
- Return the net proceeds in full to shareholders, within the limits stipulated by applicable laws and regulation

## Objectives of This Agenda Item

- We aim to engage in constructive dialogue with our shareholders to pursue further improvements in our Strategic Reorganization, including the spin-off plan

**We would like to receive feedback from our shareholders for further improvements in our pursuit for the optimal and most efficient method of executing our Strategic Reorganization**

# Reasons for the Company Proposal (No. 1)

**We plan to listen to shareholders' opinions and engage in continued discussions with related parties to consider the optimal and most efficient method of executing this Strategic Reorganization**

Elimination of conglomerate discount

Capital allocation suited to the characteristics of each business

Focused and agile management

Enhanced options for shareholders

Achieving an efficient governance structure

Review of the business portfolio

Shareholder returns, etc.

# Rationale for Refinement from 3-way Split to 2-way Split

**Through continued review of the Strategic Reorganization plan, determined that the 2-way split was the optimal plan**

Elimination of uncertainty around Toshiba's listing

Ensuring the feasibility of creating disciplined governance structure by reducing to two managements

Significant reduction of separation cost

Reduction of workload related to listing review

Securing financial soundness

Easier to pursue strategic alliances with potential partners

**Holistic consideration including above points led to the scheme change, not from an attempt to simplify the approval process**

**In order to fully respect the wishes of the majority of shareholders, proposal No. 1 will be adopted by an ordinary resolution.**

## Condition for Approval

- Ordinary shareholder resolution

## Rationale

- We determined that we should respect the opinions of the majority of shareholders
  - Pursuing an extraordinary resolution raises the concern of respecting the opinions of the opposing minority more than the supporting majority
- Though the transaction can be executed based solely on board approval when our business reorganization plan is certified under the Act on Strengthening Industrial Competitiveness, we plan to have a shareholders' vote.

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