

**TOSHIBA**

# **Presentation on FY22 Management Policy**

**FY22~24 Mid-Term Business Plan (MTBP)**

**May 27, 2022**

**Hironobu Nishikori**

**President & CEO**

**Toshiba Tec Corporation**

# Contents

01 Review of FY21

02 FY22 MTBP (Mid-Term Business Plan)

**Become a global solutions partner from a vendor**

01

# Review of FY21



# FY21 policy initiatives (reference from FY21 management policy briefing)

## Shift to “Proactive & Aggressive management ” from FY21

**FY20**

**Structural Transformation**

**Business model innovation**  
(Increase management agility)

**Work style reform**  
(Develop ability of each employee)

**Structural Reform**

**Global structural reforms**  
(Optimize fixed costs)

**FY21~**

**Proactive & Aggressive management**

**Concentrated investment in growth fields and partnership strategy**



**Continued initiatives to improve earnings of overseas business**

# FY2021 Results

Despite of special negative impact resulted from external environment changes, achieved increase in sales and profit over a previous year due to effects of structural transformation implemented in FY20

	FY21 Actual	FY20 Actual	Difference
Net Sales	445.3 B yen	405.7 B yen	+39.6 B yen
Operating Profit	11.6 B yen	8.3 B yen	+3.3 B yen
ROS %	2.6% (RS*1:4.0%、WS*2:0.5%)	2.0% (RS*1:5.5%、WS*2:▲3.4%)	+0.6%
Current Net Profit	5.4 B yen	7.1 B yen	△1.7 B yen
Cash Flows from Operating activities	10.0 B yen	9.2 B yen	+0.8 B yen
Return on invested capitals (ROIC*3)	5.7%	4.4%	+1.3%

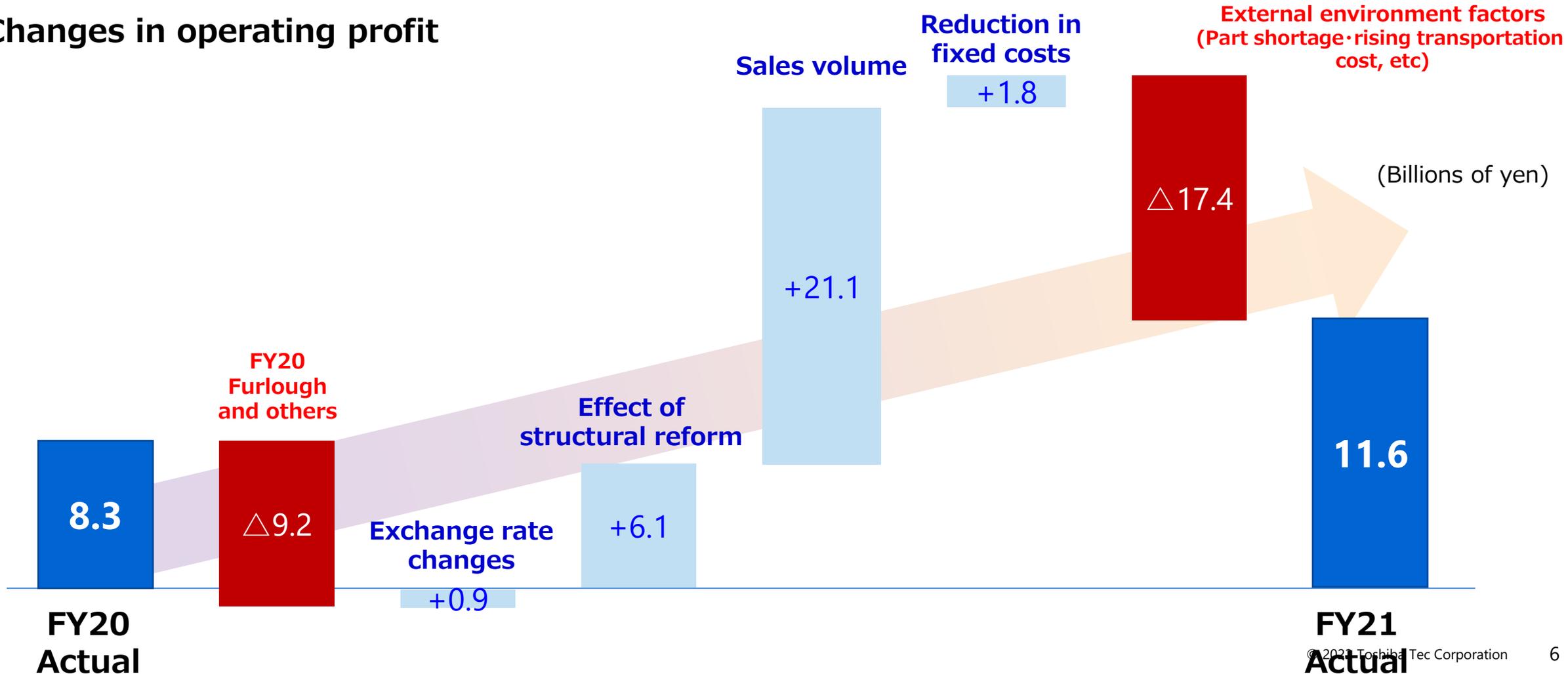
\*1 RS Retail Solutions Business \*2 WS Workplace Solutions Business

\*3 ROIC=Operating profit after tax (Operating profit/loss × (1-tax rate)) ÷ invested capital (average interest-bearing debt + net assets)

# FY21 Results

Despite of continued supply chain disruptions, achieved year-on-year increase in sales and profit due to effect of structural transformation and increased sales volume under the improved situation of COVID-19

## Changes in operating profit



# FY21 Achievements

Achieved good results in each business by executing  
“Proactive & Aggressive management”

FY21 MTBP Basic Policy ■ **Global retail** : Accelerate business transformation **by utilizing physical assets**

Accelerate business model transformation aimed at **becoming a global top solutions partner**

- ① Expansion of Data & Solutions business through enhancement of **strategic partnership** and **co-creation**  
The number of visitors to TEC 01 SIGHT as a place for Co-Creation - 3,200 (Approx. 900 companies)
- ② Enhance **Wall to Wall**/predictive analytics maintenance services **overseas**
- ③ Management reform of **overseas** retail business (Americas/Europe) by **new management**

FY21 MTBP Basic Policy ■ **Workplace** : Strengthening of existing business & initiatives of growth strategy

Recovery of **profitability** and strengthening of **solutions**

- ④ **Recovery of profitability of Workplace Solutions Business**  
**Returned to be profitable** in 2<sup>nd</sup> half of FY21 while suffering from impacts of soaring parts price, supply chain disruption and increase in transportation cost
- ⑤ Strategic initiatives to achieve the growth  
(Resource allocation to the growth field/strengthening of local solutions capability)

# Toshiba Tec's growth model

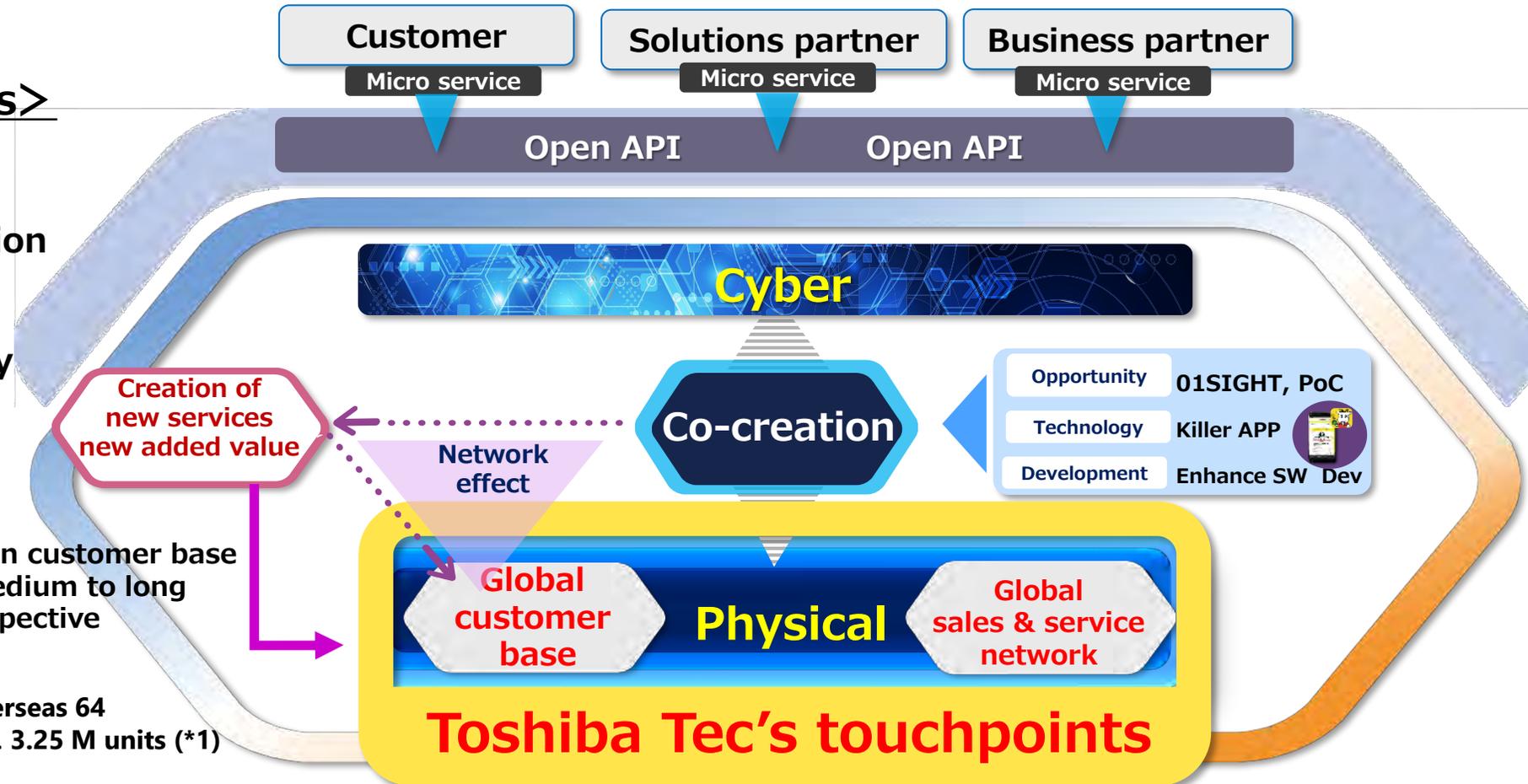
~ New value creation through co-creation with partners ~

To become a **global top solutions partner** by generating new value through co-creation with the aim of contributing to the **resolution of social issues**

## <Resolution of social issues>

- Reduction of waste loss
- Reduction of CO2
- Reduction of paper consumption
- Response to labor shortage
- Optimization of store·office
- Reduction of sales opportunity loss

Strengthen customer base from a medium to long term perspective



The # of global Toshiba Tec's subsidiaries: Overseas 64

The top global market share in POS : Approx. 3.25 M units (\*1)

POS share in Japan: Approx. 50%

MFPs global installed units: Approx. 1.2 M unit (\*2)

\*1 (Source) RBR Global EPOS and Self-Checkout 2021

\*2 Based on our own research

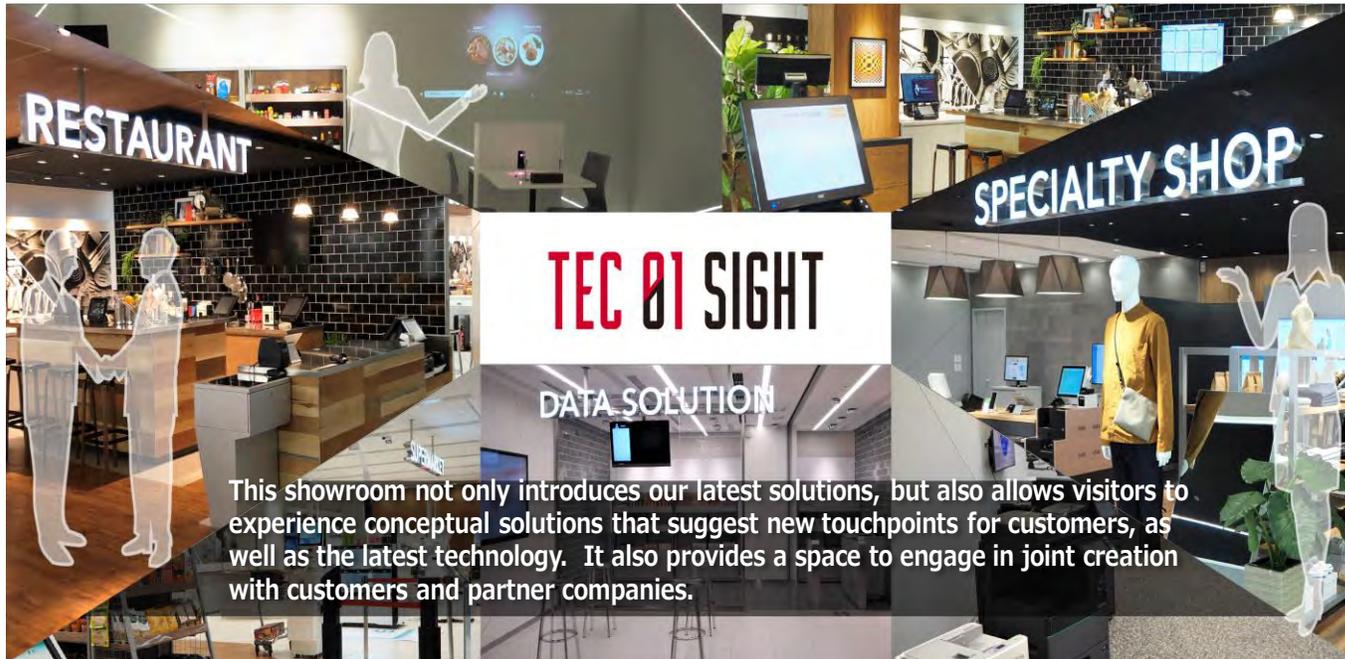
# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

Aiming to become **a global top solutions partner** in the distribution industry by accelerating **fusion of physical & cyber**

## A place for creating together

**TEC 01 SIGHT** (Labo & Showroom, Since Oct 2020)

~Exceeding 3,200 visitors (Approx 900 companies)~



This showroom not only introduces our latest solutions, but also allows visitors to experience conceptual solutions that suggest new touchpoints for customers, as well as the latest technology. It also provides a space to engage in joint creation with customers and partner companies.

## KFS

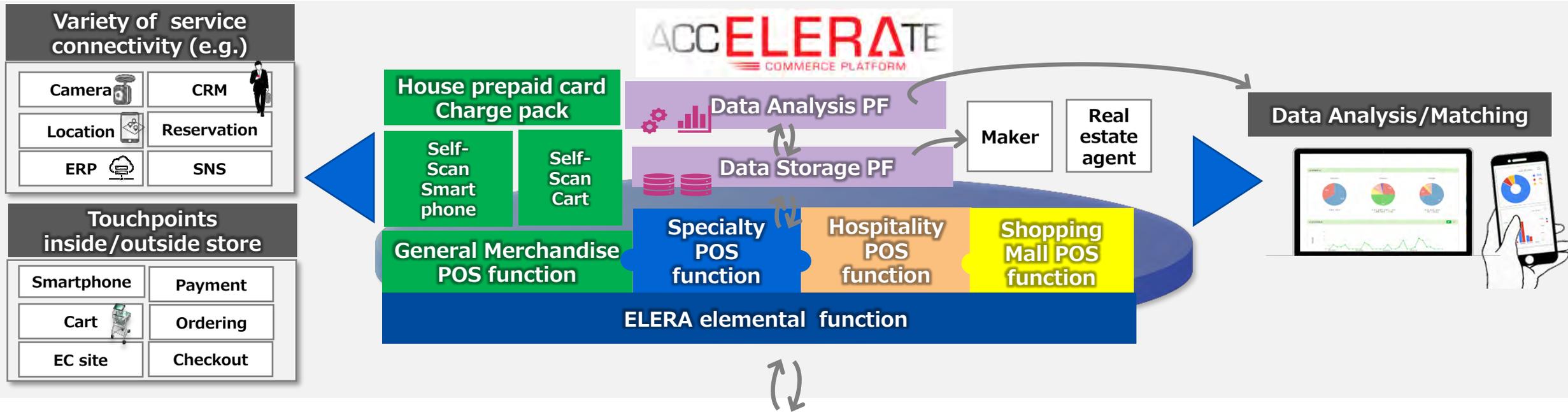
- ✓ **Global development**  
Japan-US collaboration ELERA
- ✓ **Partnership** Fusion of physical & cyber customer base·service network
- ✓ **Investment**

FY18-20 Act	2.0 B yen
FY21 Act	6.3 B yen
FY21-23 Plan	31.0 B yen <small>(FY21 MTBP)</small>

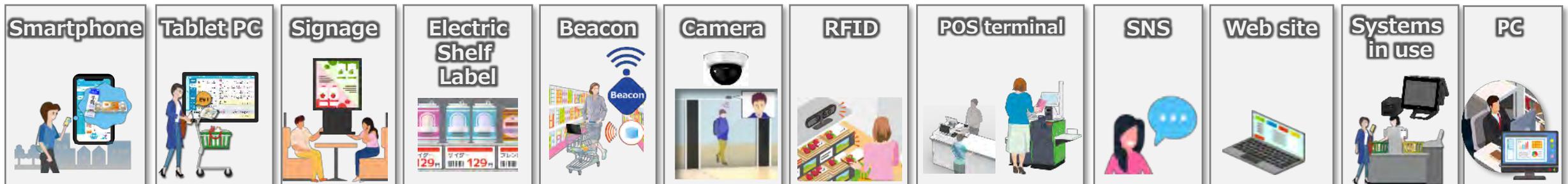
	Japan	US
Customer asset	<b>Approx. 50%</b> POS share	Among 7 NA retailers in the global top 10 list, we have <b>5</b> customers
# of service staff	Approx. 100 locations & <b>1,500</b> staff	More than <b>750</b>

# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

“ELERA” is the platform for Data & Solutions co-created with partners



Expansion of touchpoints through multi-device manipulation beyond hardware



# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

## Expansion of Data & Solution business driven by "ELERA" Grow up global business in FY21 out of seeding period until FY20

**A major GMS in NA** 

**ELERA Cloud base POS**



Expansion of touchpoints through multi-device interoperability beyond hardware

**A DIY store in NA** 

**ELERA Cloud base POS**



Expansion of touchpoints through multi-device interoperability beyond hardware

**A major EC retailer in NA** 

**ELERA Cloud base POS /Associate Mobile/Self Enablement**



Expansion of touchpoints through multi-device interoperability beyond hardware

**A major GMS in Japan** 

**ELERA Cart/Smartphone POS**



**A major drug store in Japan** 

**ELERA Smartphone POS**



**A major sport goods store in Japan** 

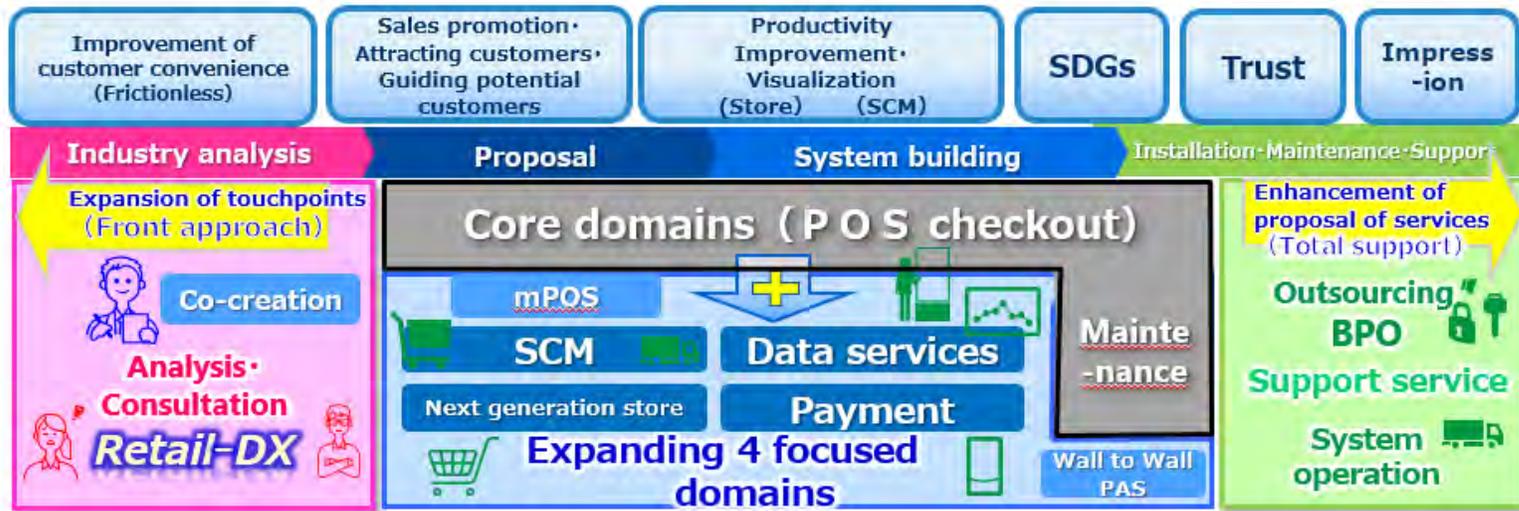
**ELERA Cloud base POS**



Expansion of touchpoints through multi-device interoperability beyond hardware

# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

Establish strong partnership with respective experts having competence in its business field to supplement us with necessary function to promote growth areas (Retail 4 focused domains),  
**Data services, Next generation store, Payment and SCM**



## <Resolution of social issues>

- Reduction of waste loss
- Reduction of CO2
- Reduction of paper consumption
- Response to labor shortage
- Optimization of store·office
- Reduction of sales opportunity loss

## Investments already done

### ➤ Harmonia Inc.

Next generation store·SCM

- \* Dynamic pricing

### ➤ TOUCH TO GO, Inc.

Next generation store

- \* Frictionless service

### ➤ Bespo Inc.

Next generation store·BPO

- \* DX support for restaurants

### ➤ Work Style Tech Ltd.

Next generation store·BPO

- \* DX for recruiting management

### ➤ Sukima Works Inc.

Next generation store·BPO

- \* Spot work

### ➤ Magee Co., Ltd.

Data services

- \* Data analysis and personal promotion

### ➤ Digital Garage, Inc.

Payment·Data services

- \* Next generation Fin Tech + Digital marketing

### ➤ b8ta Japan K.K.

Data services·BPO

- \* Experiential retail platform service (RaaS)

### ➤ HataLuck and Person Inc.

Next generation store

- \* Platform service for providing innovative changes to retail stores

# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

Generate new service (retail media) by fusion of  
Toshiba Tec's physical assets & Digital Garage Group's cyber assets

## Extension of service area

Before shopping

During shopping

## Extension of service area

After shopping

**Attract consumers**

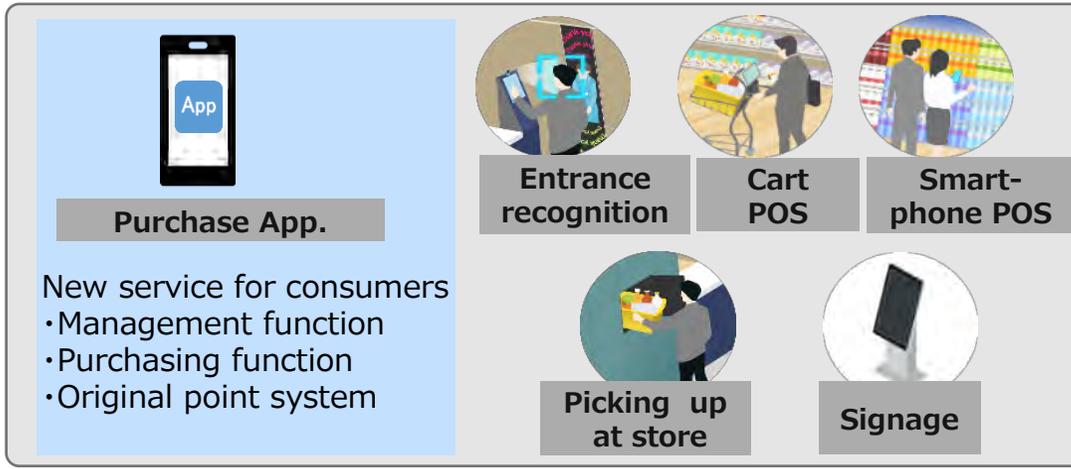
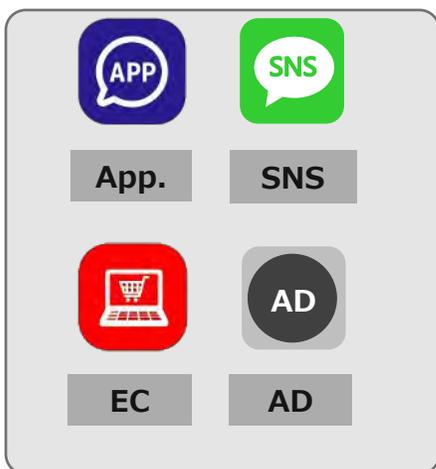
Link with **digital touchpoints** outside the store

**Stimulate purchase intention**

Utilize Toshiba Tec's next generation store solution as **digital touchpoints**

**Comprehend customers and conduct promotions**

Realize effective promotion by centralizing **digital touchpoints** inside the store



**Digital Garage Group** X **Toshiba Tec Corporation**

# ① Expansion of Data & Solutions business through enhancement of strategic partnership and co-creation

## Realize more efficient labor-saving operation, deploying partnership initiatives for newly developed store-format

“TTG-SENSE” & “TTG-SENSE MICRO”  
developed by TTG

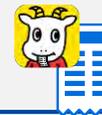
2 business categories 3 stores/FY20  
→ 6 business categories 9 stores/FY21



**Toshiba Tec Corporation**

Linkage with Smart receipt  
Nationwide/FY22

Unmanned Store System  
“TTG-SENSE MICRO” & “TTG-SENSE MICRO” launched  
nationwide linked with **Smart Receipt®**



**Smart receipt**

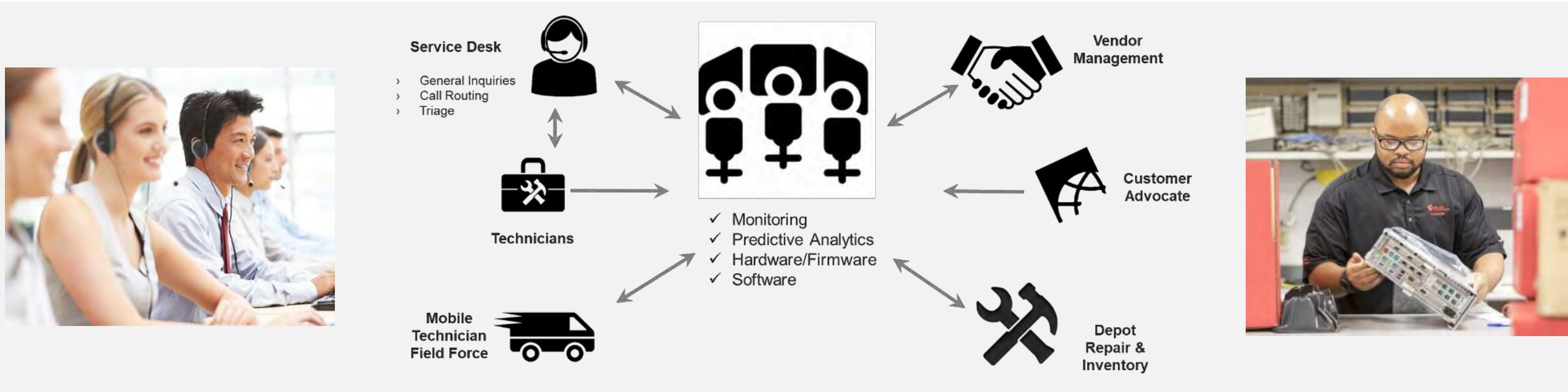
- Electronic receipt
- Individual purchase data
- Data utilization (e.g. promotion)

**Installation/  
maintenance  
by Toshiba Tec**



## ② Enhance Wall to Wall & Predictive analytics maintenance services overseas

Newly started service for major retail customer in North America in FY21  
(approx. 1M devices/5K stores)



**All-in maintenance services under entrustment for multi-vendors devices including competitors**

**Provide proactive maintenance service by utilizing predictive analysis of device disorder**



**Increase customer's operational efficiency of its device maintenance**



**Realize down-time minimization**

### ③ Management reform in overseas retail business initiated by new management

Implemented initiatives to improve profitability by strengthening of management foundation and **structural reform**

Strategic focus is shifting to expand software business centering on ELERA platform

#### ■ Executed **structural reform** in the past 3 years (FY19-FY21)

- Withdrawal from unprofitable markets  
(Russia, South Africa, etc.)
- Streamlined the workforce in US and Europe

#### ■ Expansion/Reinforcement of customer base **through differentiation of SW/services**

- Expansion of SW/services business  
centering on ELERA platform
- Sales expansion due to synergy effect of  
differentiated services

#### ■ **Recruitment from outside the company and newly appointed top management in both US and Europe**

- TGCS CEO Rance Poehler (Effective Nov. 2020)



<Profile>

Effective Nov, 2020~ Present post  
PIVOT3 (CRO, Global Vice President)  
DELL EMC (Global Vice President)  
PANASONIC NORTH AMERICA (President)

- TGCS Europe MD Andrew McDaniel  
(Effective Jan. 2022)



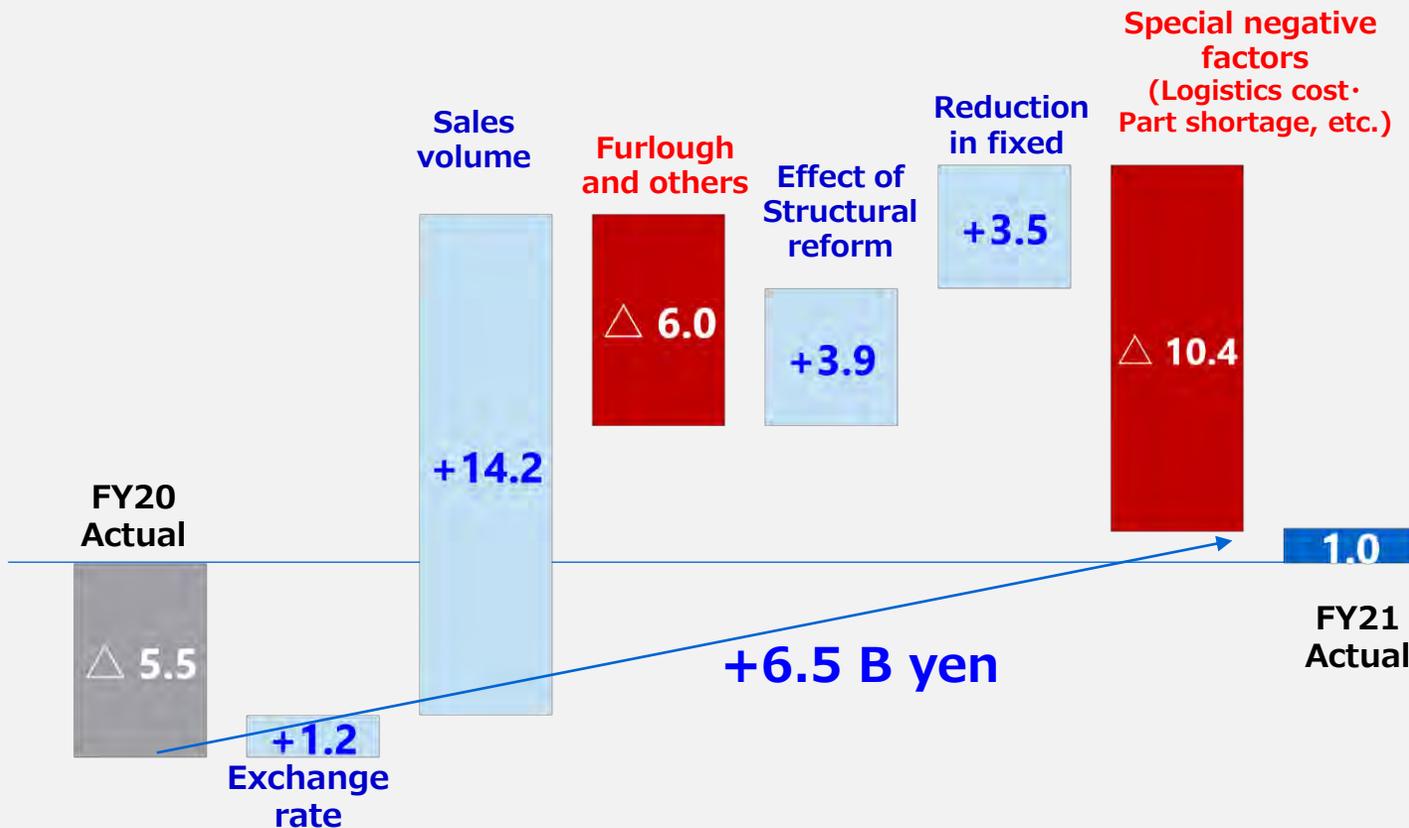
<Profile>

Effective from Jan, 2022 ~ Present post  
DELL (UK GM for Client Solutions Group)  
Dell Technologies (EMEA CTO - Client Solutions Technologists - )  
DELL (EMEA General Manager - Cloud Client Computing - )

# ④ Improved profitability of Workplace Solutions Business

Returned to be a profitable operation by strengthening business structure, resulting in an improvement of 6.5 B yen operating profit vs FY20

## Analysis of Operating Profit/Loss transition from FY20 to FY21



## Measures to improve profitability

- Cost reduction by strengthening of business structure
- Pricing management responding to soaring part cost
- Resource allocation and reorganization aimed at integrating manufacturing, sales and technology
- Enhanced MFP market share in US, Europe, Australia and China (Enjoyed the historical record in US) A3 MFP global market share is 10.5% in CY21, ※Based on our research

## Improved operating profit by 3.8 B yen from 1H/FY21 to 2H/FY21

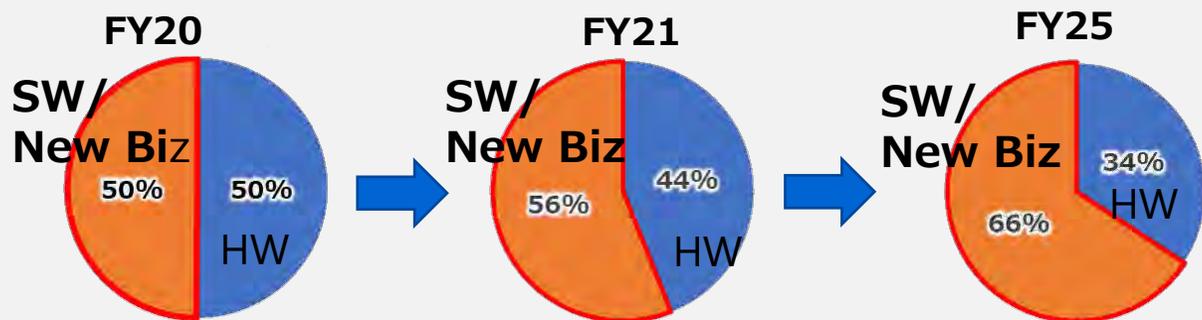


# ⑤ Initiatives for growth strategy of Workplace Solutions Business

## Making progress in resource injection in the growth field and the development of solutions

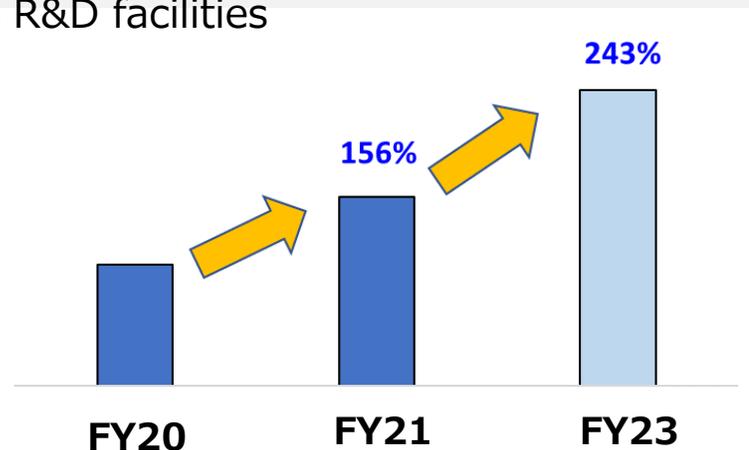
### ● Shift human resource to the growth fields

→ Shift resources from HW and MFP to SW, BCS and new businesses



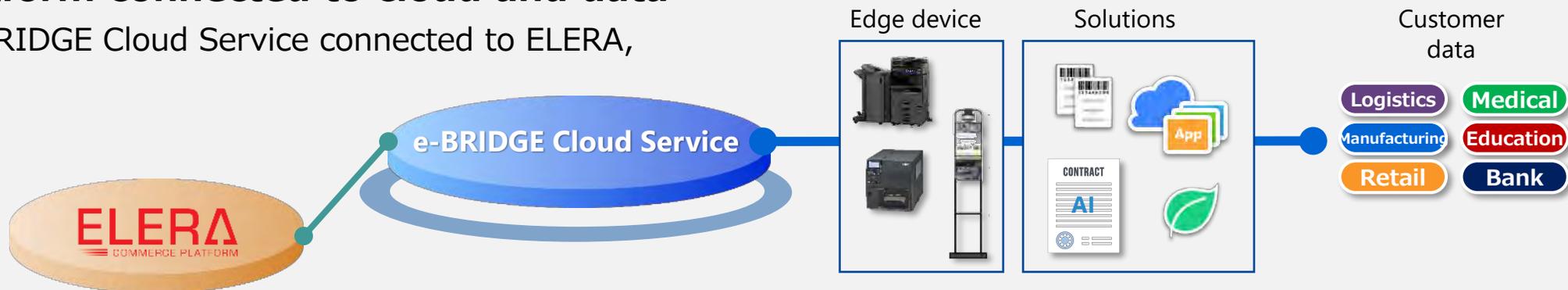
### ● Strengthen response capability of local solutions

→ Expand direct support from local subsidiaries by utilizing overseas R&D facilities



### ● Establish a platform connected to cloud and data

→ Develop the e-BRIDGE Cloud Service connected to ELERA, cloud and data



# 02

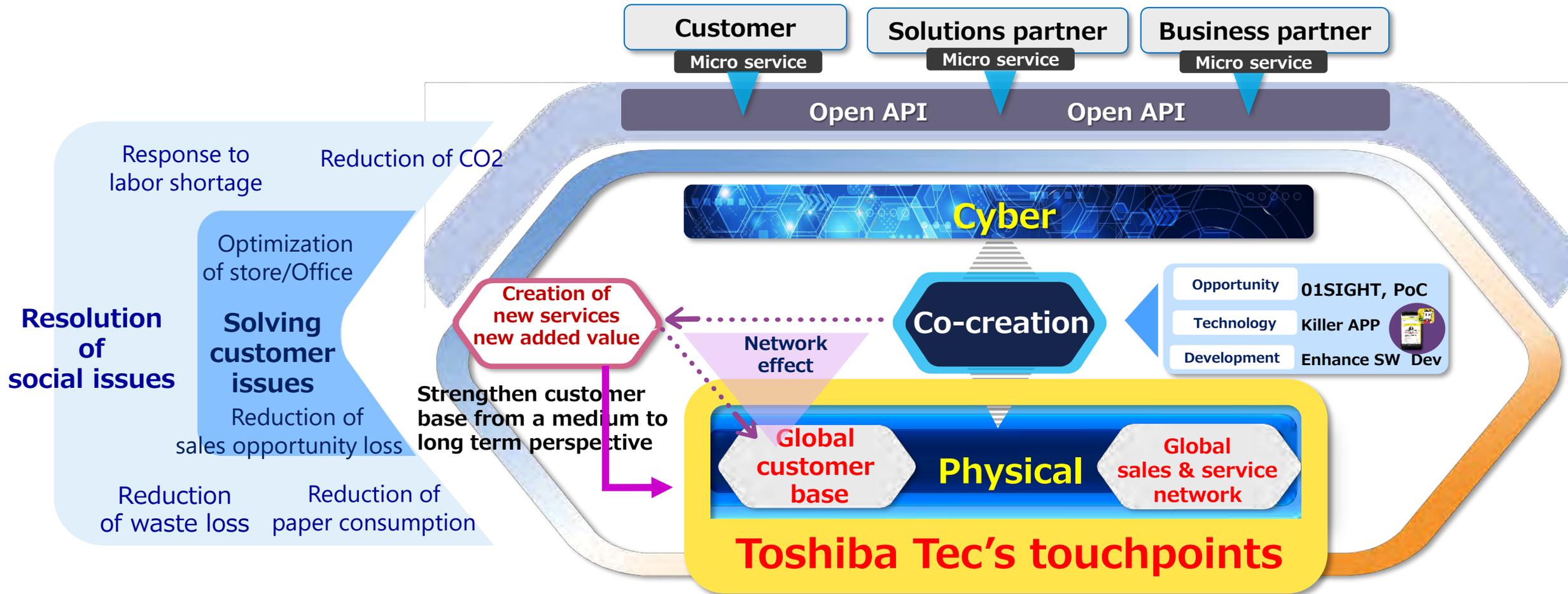
## **FY22 MTBP (Mid-Term Business Plan)**



# Toshiba Tec's growth model

~ New value creation through co-creation with partners ~

To become a **global top solutions partner** by generating new value through co-creation with the aim of contributing to the **resolution of social issues**



# 22 MTBP Financial Target

Aim at achieving a 6.2% of ROS and a 13.5% of ROIC in FY24 by reinforcing the earnings base through **improvement of management efficiency and effective resource allocation**

	FY22 Forecast (USD 120 yen, EUR 135 yen)	FY24 Plan (USD 120 yen, EUR 135yen)	Difference
Net Sales	450.0 B yen	500.0 B yen	+50.0 B yen
Operating Profit	18.0 B yen	31.0 B yen	+13.0 B yen
ROS (%)	4.0% (RS*1:4.3%、WS*2:3.3%)	6.2% (RS*1:6.7%、WS*2:5.1%)	+2.2%
Current Net Profit	8.0 B yen	15.0 B yen	+7.0 B yen
Cash Flows from Operating activities	31.0 B yen	38.0 B yen	+7.0 B yen
Return on invested capitals (ROIC <sup>*3</sup> )	8.6%	13.5%	+4.9%

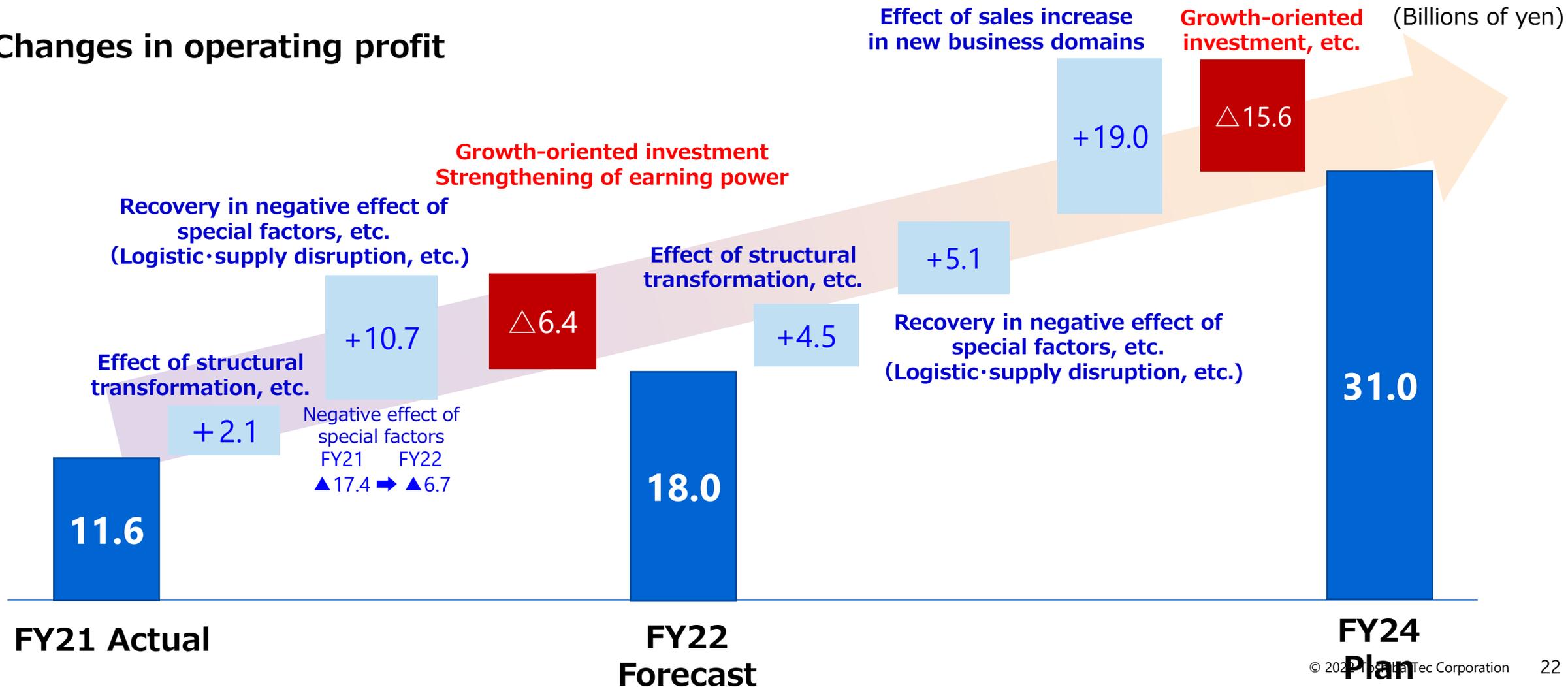
\*1 RS Retail Solutions Business \*2 WS Workplace Solutions Business

\*3 ROIC=Operating profit after tax (Operating profit/loss x (1-tax rate) ÷ invested capital (average interest-bearing debt + net assets))

# 22 MTBP Financial Target

Aim to achieve growth by aggressive resource injection in strategic areas in addition to ensuring structural transformation and recovery in external special factors

## Changes in operating profit



# The targeted financials by segment

Improve profitability of each business by accelerating business model transformation through promoting co-creation

## Retail Solutions

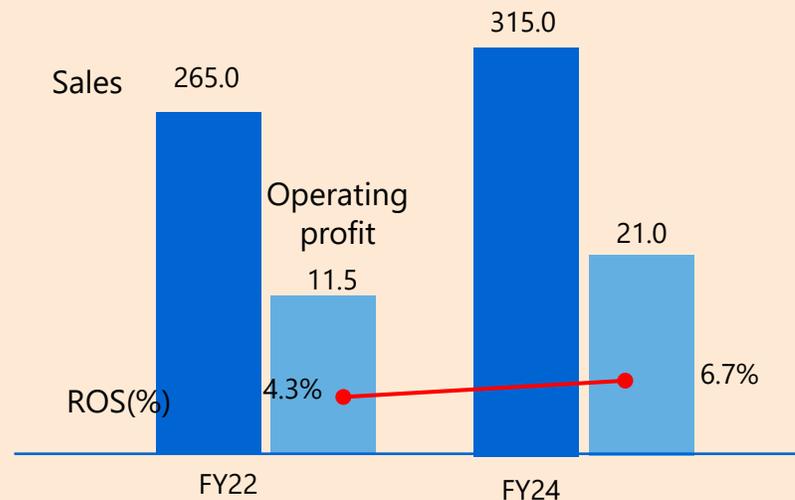
Operating Profit/ROS(%)

**FY22 11.5 B yen / 4.3%**

(Japan : 6.7% Overseas : 1.3%)

**FY24 21.0 B yen / 6.7%**

(Japan : 8.5% Overseas : 4.3%)

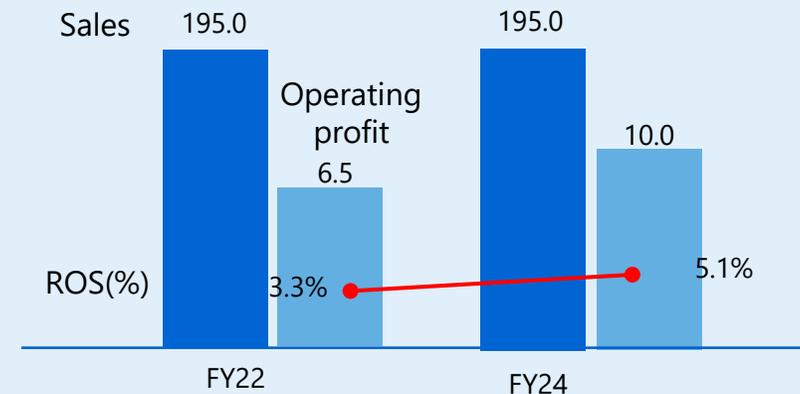


## Workplace Solutions

Operating Profit/ROS(%)

**FY22 6.5 B yen / 3.3%**

**FY24 10.0 B yen / 5.1%**

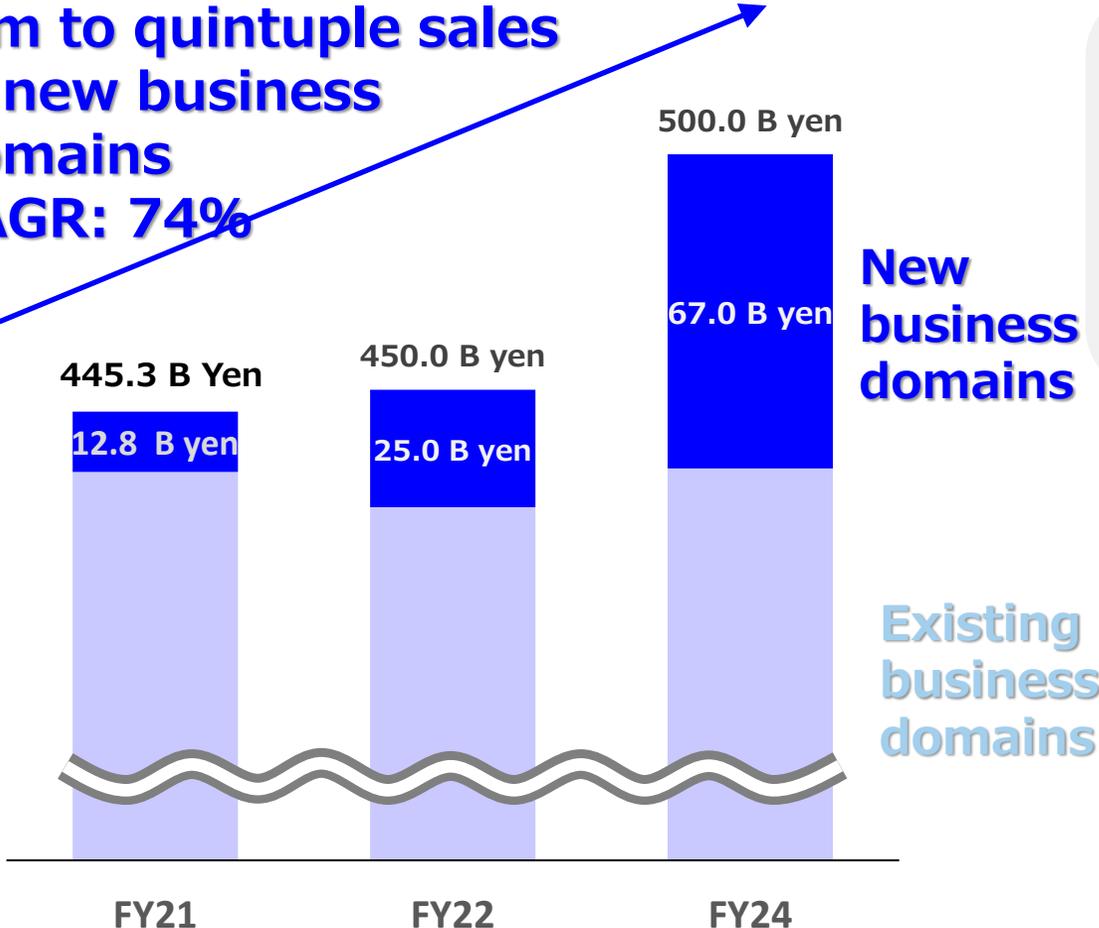


# Changes in sales structure by business transformation

## Become a solutions partner from a vendor (HW + Maintenance)

Expand sales in new business domains by implementing Toshiba Tec's business model transformation

Aim to quintuple sales in new business domains  
CAGR: 74%



Global top customer base  
×  
Touchpoints (Sales·maintenance network)  
×  
Partnership strategy

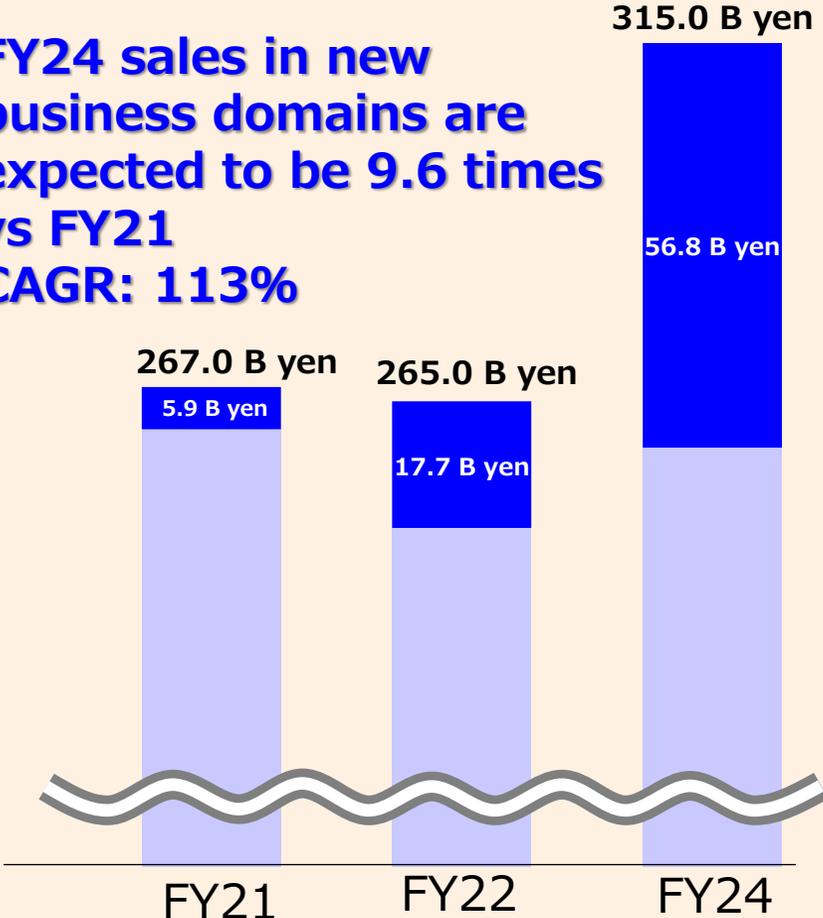


# Changes in sales structure by business transformation (By segment)

## Expanding sales in new business domains in each business segment

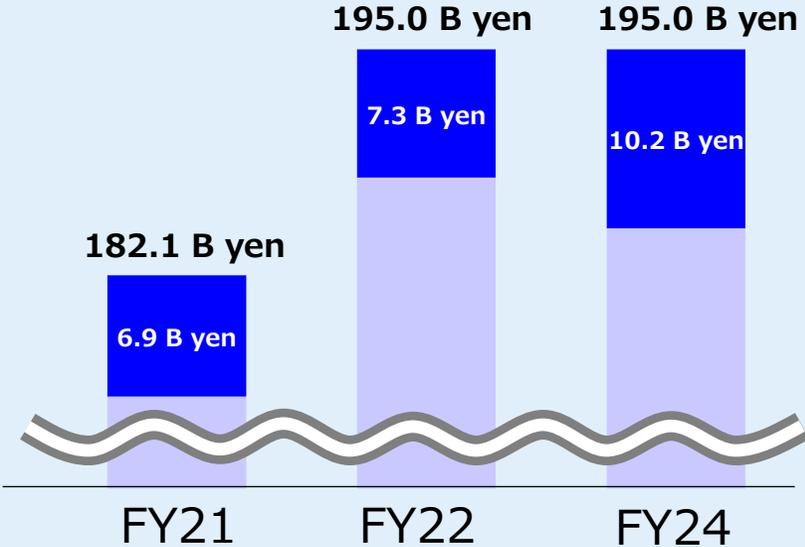
### Retail Solutions Business

FY24 sales in new business domains are expected to be 9.6 times vs FY21  
CAGR: 113%



### Workplace Solutions Business

FY24 sales in new business domains are expected to be 1.5 times vs FY21  
CAGR: 14%



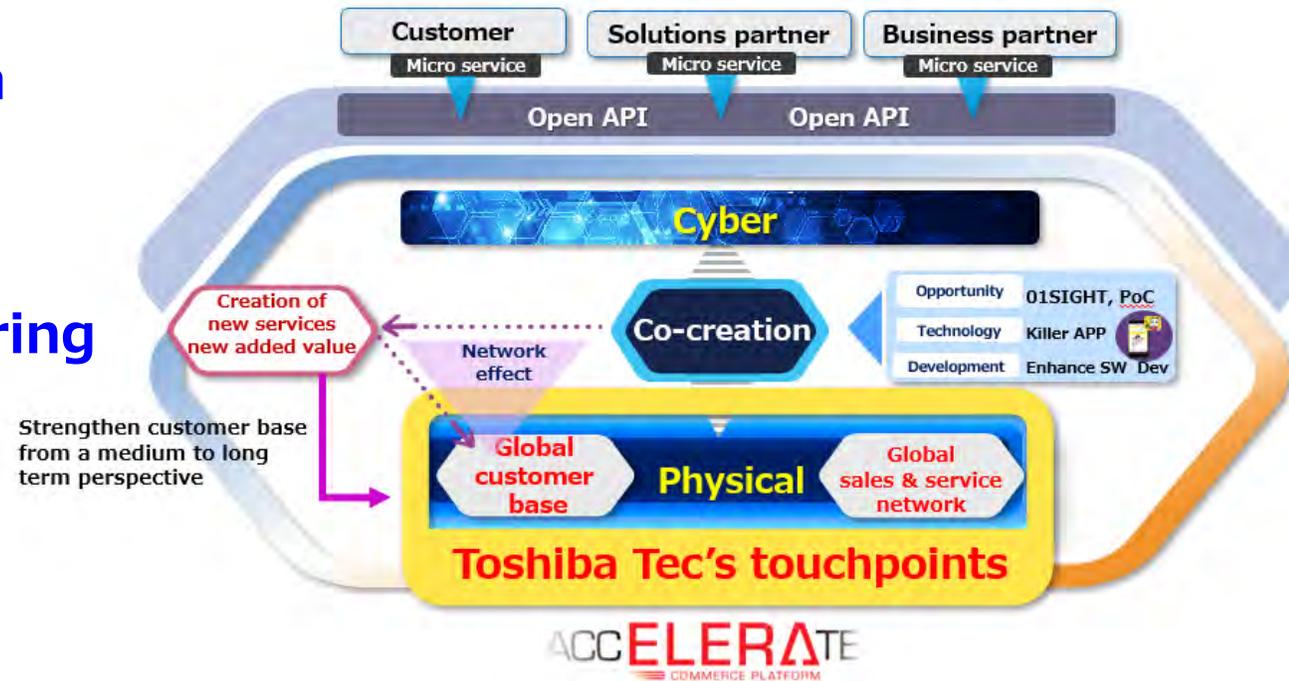
# 22 MTBP Priority themes to achieve the growth

## Become a solutions partner from a vendor (HW+ Maintenance)

Generate new value through co-creation by strengthening initiatives on priority themes

### 22 MTBP Priority themes

- ① Further **evolution of co-creation eco-system**
- ② New value creation by **utilization of data**
- ③ Growth of the retail solutions business by demonstrating **global business engineering capabilities**
- ④ **Reinforcement of the earnings base** of workplace solutions business



# ① Further evolved Eco-system in Co-creation

## Expand "ELERA" global development eco-system by open API

### In FY21 starts "ELERA" linkage via API

- Self-checkout shopping cart : Collaboration with solution vendors for 3 major GMSs in Japan
- Hospitality ordering system : Collaboration with Digital Garage, Inc./arara inc.

### Strategic partners



### Toshiba Tec Corporation

The number of development staff  
RS : approx 800/WS : approx. 400

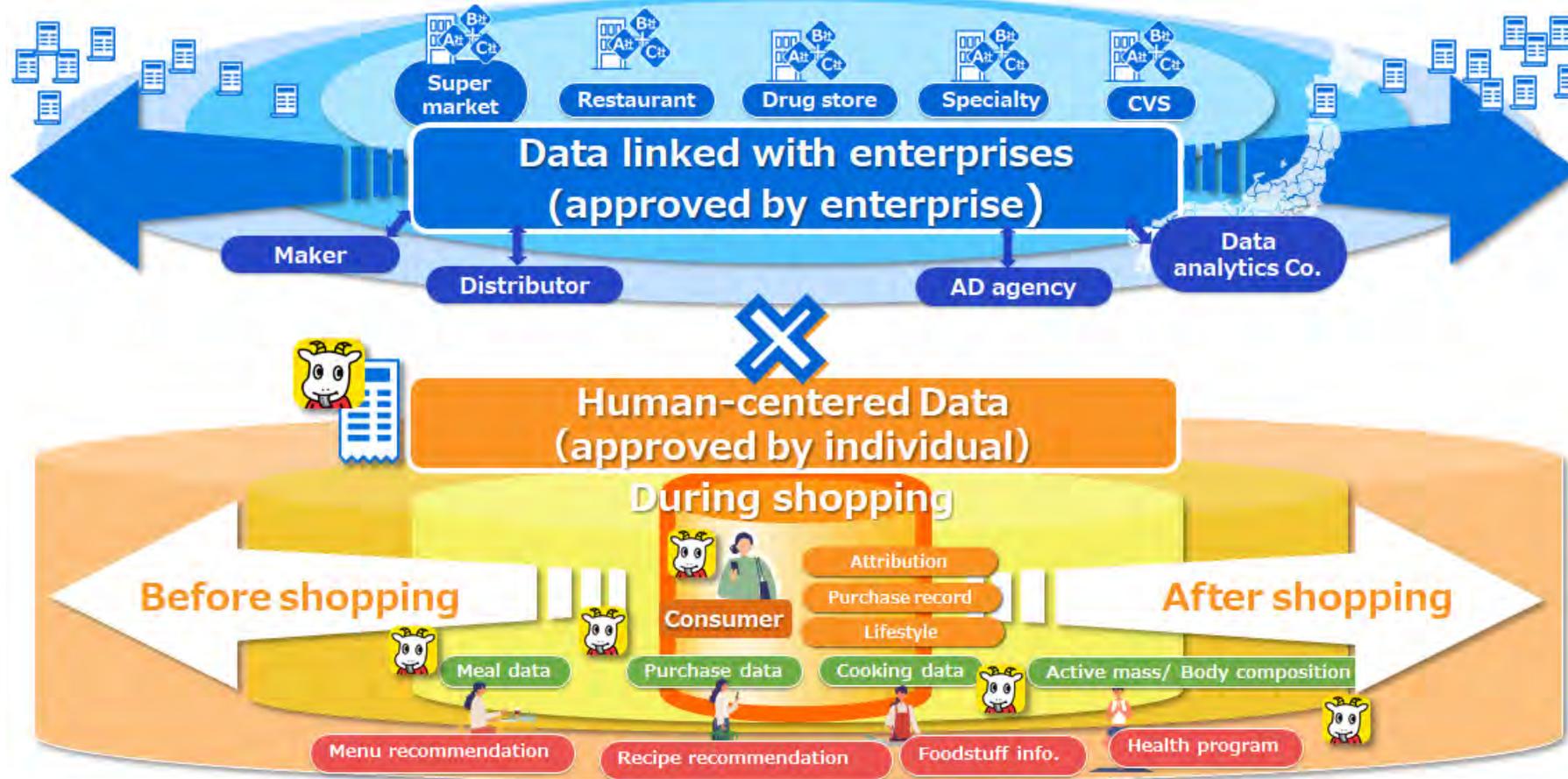


Deploy micro service in marketplace  
(In/Out house)

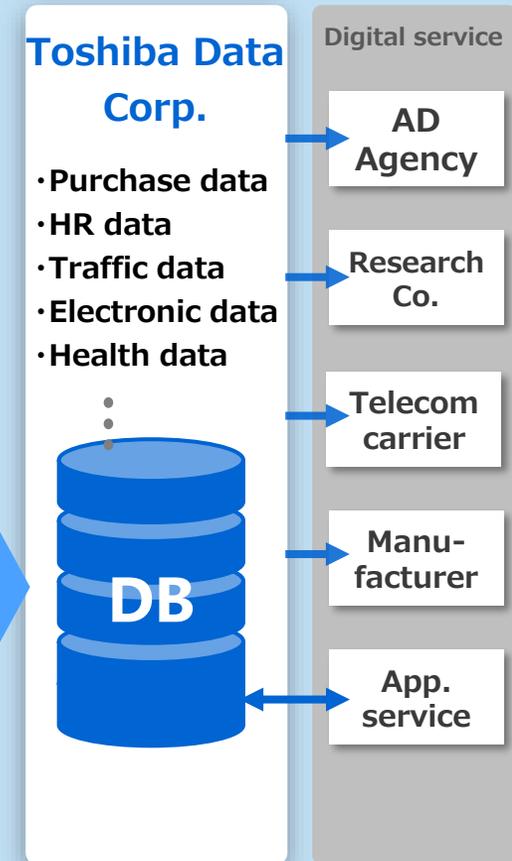


## ② New value creation by data utilization

### Spread of data solution multiplied by POS data & Smart receipt data



### Data distribution



### ③ Growth of the Retail Solutions Business by making full use of global business engineering capabilities

Accelerate platform development by taking full advantage of our global development system and technological collaboration with Toshiba

## Toshiba Group

Toshiba Global Commerce Solutions, Inc.



Toshiba

Toshiba Software Engineering & Technology Center  
Toshiba Software (India) Private Limited  
Toshiba Software Development (Vietnam) Co.,Ltd.

Toshiba Tec

Strengthen development system aimed at implementing global initiatives

- ◆ Newly established Corporate Office of the Chief Digital Officer (CDO) and Corporate Platform Development Center in Apr, 2022
- ◆ Shift strategically global development resources to platform and software under the leadership of CDO

Strengthen R&D collaboration with Toshiba's software related facilities



Toshiba Software Engineering & Technology Center  
(Located inside Toshiba R&D Center)



Toshiba Software (India) Private Limited



Toshiba Software Development (Vietnam) Co.,Ltd.

# Press release in FY21 (38 articles \*)

商品情報 > 「スマートレシート®」を活用した北海道道北エリアにおける

商品情報 > 「スマートレシート®」、レシート読み取りアプリ「レシート

商品情報 > 電子レシートシステム「スマートレシート®」を東急ストアが

企業情報 > 株式会社Bespoへの出資のお知らせ

企業情報 > スキマワークス株式会社への出資のお知らせ

企業情報 > 東芝テック、TOUCH TO GOとの資本業務提携について

企業情報 > マギー株式会社への出資のお知らせ

商品情報 > 「スマートレシート®」のエネルギー会社向け電子化システムメニューの発売について

商品情報 > 「スマートレシート®」を活用した福島県会津若松市内での地域活性化イベントへの参画について

商品情報 > 東芝テック製複合機「e-STUDIO」シリーズ新機能搭載について

商品情報 > 「スマートレシート®」の活用によるフードテックサービス構築に向けた実証実験を開始

企業情報 > 東芝テック、TOUCH TO GOとの業務提携について

商品情報 > モバイルPOS「POSasy（ポサシー）」の販売開始

商品情報 > 東芝テック製複合機「e-STUDIO」シリーズの操作部用抗菌・抗ウイルスシートの販売開始

商品情報 > 画像認識AIカートシステムを活用したレジ業務無人化の実用化に向けたDX実証実験について

商品情報 > 三重県のスーパーマーケット「ぎゅーとら」にて電子レシートシステム「スマートレシート®」のサービスを開始

商品情報 > みやぎ生活協同組合での抗菌・抗ウイルスシート採用に関するお知らせ

商品情報 > 国内のキャンドウ店舗にて電子レシートシステム「スマートレシート®」のサービスを開始

商品情報 > 新潟県のスーパーマーケット「ウオロク」にて電子レシートシステム「スマートレシート®」のサービスを開始

商品情報 > 東芝テック 電子レシートシステム「スマートレシート®」をくら寿司国内全店に導入

商品情報 > 東芝テック「リテールテックJAPAN 2022」に出展

商品情報 > 飲食店向け注文連携サービス「OrderLinkage（オーダーリンケージ）」の発売について

商品情報 > 東芝テックとデジタルガレージ、スマホを活用した次世代型決済と販促をハイブリッド化する実証実験を開始

商品情報 > グローバルリテールプラットフォーム「ELERA」の開発推進について

商品情報 > ELERA売場移動型セルフレジシステム「ピピットセルフ」の販売開始について

商品情報 > ミニストップ「SS-NEX」シリーズの発売について

商品情報 > ミニストップ「SS-NEX」シリーズの発売について

商品情報 > デジタルPOS「デジPOS」の採用『デジPOS』の実証試験をセブン-イレブン店舗にて開始

商品情報 > ミニストップ「会津財布」が連携

# Ongoing PoC to push forward with growth strategy

## Accelerate PoC activities to spread new services worldwide

### ■ Solutions linked with data utilization

<p><b>1 Smart receipt</b></p> <p>Value creation in collaboration with recipe proposal application "Uchirepi"</p> 	<p><b>2 ID-POS panel data verification</b></p> <p>Verify the effectiveness of ID-POS panel data</p> 	<p><b>3 House prepaid card</b></p> <p>Cash back to customer who buy the relevant good with House prepaid card</p> 
<p><b>4 Retail tech media</b></p> <p>Verify the effect of sales promotion and utilization rate by implementing sales promotion service by Digital Garage to smartphone POS</p> 	<p><b>5 ELERA data solutions</b> Overseas</p> <p>Provide analytical information such as market basket, customer loyalty and customer segmentation by analyzing purchasing data of customers and offer sales promotion idea based on it</p> 	<p><b>6 IoT edge terminal</b></p> <p>Improve working environment and create a mechanism to contribute to EX/EE by collecting new data at office via edge terminal other than MFP</p> 
<p><b>7 Office visualization solutions</b></p> <p>Visualize various information related to workplace, such as management situation, working environment, etc.</p> 	<p><b>8 eCC-MC for barcode</b> Overseas</p> <p>Manage Barcode devices integrated on the cloud by utilizing existing MFP cloud (eCC)</p> 	<p><b>9 Cloud device management</b></p> <p>One stop service for maintenance operation, such as management of Counter and devices and failure prediction</p> 
<p><b>10 Enquete on feeling temperature</b></p> <p>Provide optimal zoning of air-condition by collecting data on the coldness or warmth feeling of employees in combination with group definition by seat assignment based on information gained by MFP touch panel</p>	<p><b>11 Staff·JOB matching</b></p> <p>Job matching where skilled person applies to jobs registered as "Requested issues to respond" by others</p>	<p><b>12 Cloud Print</b></p> <p>Utilize unique cloud printing technology</p> 

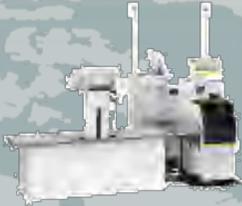
# Ongoing PoC to push forward with growth strategy

## Accelerate PoC activities to spread new services worldwide

### ■ Solutions to support various touchpoints

#### 13 Hybrid-POS

POS system providing semi-self or self checkout alternatively



#### 14 Smartphone POS

Product registration and payment at POS by using customer's smartphone



#### 15 Shopping cart POS

With shopping cart, products can be registered anywhere at store while payment can be easily made at cashier area



#### 16 AI cart system

Identify issues of image recognition cart, customer's Apps and attendant Apps



#### 17 RFID Self-checkout

Verify the efficiency of open type RFID Self-checkout at apparel stores



#### 18 Ordering service

Connect order by delivery service with order entry system



#### 19 Perishable food recognition

Select perishable food by self checkout with small camera and display candidate products on the screen by image recognition technology



Overseas

# Ongoing PoC to push forward with growth strategy

## Accelerate PoC activities to spread new services worldwide

### ■ Solutions with leading-edge technology

#### 20 Contactless panel (AirClick)

Verify effectiveness of contactless panel (bar type)



#### 21 Serial stocktaking

Identify issues to smoothly proceed serial management of inventories at distribution warehouse



#### 22 RFID shelf stocking

Verify accuracy of shelf stocking operation by promoting inventory management at store and backyard by using RFID with image recognition function



#### 23 AI-camera OCR

Judge the type recycle category of used batteries by AI camera/OCR



#### 24 Contactless panel (Hygienic panel)

Verify effectiveness of contactless panel (frame type)



#### 25 Lantern type Communication display

Grasp market need by using Panasonic communication display with POS·OES (Order Entry System)



#### 26 MFP-RFID

MFP capable of writing data on the tag while printing the paper with RFID tag



#### 27 Inkjet head

Reduce environmental burden of "Monozukuri" and develop potential usage



#### 28 Elevate v3.0

Packaging of various Apps Distribution of packaged Apps to MFP



Overseas

#### 29 Special media print

Provide service of printing necessary information and content on the spot to special media, such as clear folder



#### 30 Dual page inline printer

Automate the process of Print&Apply



Overseas

#### 31 UF-3000 RFID Reader

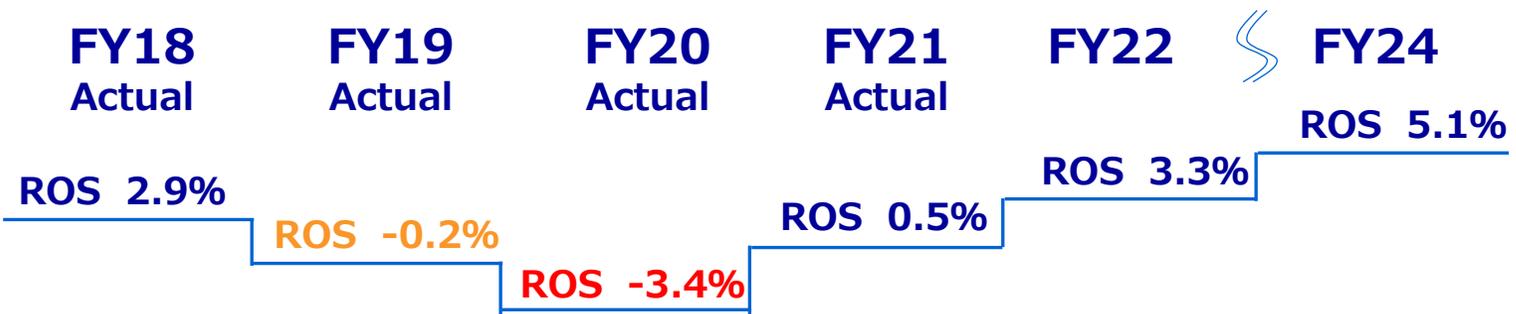
Develop RFID tag reader responding to its growing demand and usage.



Overseas

# ④ Reinforcement of the earnings base of Workplace Solutions Business

Continue to further strengthen our response capability to market changes



**Measures to respond to market change**

**FY21 vs FY19**  
Achieved 7.3 B yen of cost reduction by structural reform

Improved business structure by continued efforts of operational efficiency

**FY22-24**  
Implement measures to improve 8.2 B yen profit

- G/M increase by sales mix improvement
- Cost reduction by optimization of facilities and VE, etc.

**Negative impact by market change**

Sales volume decline by COVID-19

Decline of printing volume due to accelerating changes of work style

Soaring part price, supply disruption, rising transportation cost

- Initiatives to put into practice
- ① Optimization of worldwide manufacturing facilities
  - ② Reduction in production cost by integrating efforts of development and manufacturing
  - ③ Strengthen earnings base in collaboration with other companies in the industry

# ④ Reinforcement of earnings base of Workplace Solutions Business

Achieve differentiation and growth by offering one stop solutions through e-BRIDGE Cloud Service and device cooperation of MFP and Auto-ID

MFP



- Document management
- Output management
- Workflow automation
- Device management

Auto-ID



SCM solutions

BCS (Barcode system)

RFID

MFP + Auto-ID + Cloud Service

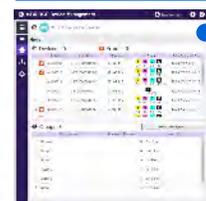
Integrated solutions

**Integrated device management**

Print flyer and label from MFP and BCS respectively under the integrated management of both devices

Efficiently while cooperating between them

Device management



Integration of input and output

Scan slip



Print customized flyer  
Print address label



**MFP-RFID**

Write to RFID tag while printing, applicable to special paper



RFID tag

Streamline document authenticity and its management

Affordable subscription model

e-BRIDGE Cloud Service

**IoT Edge terminal**

Support worker's physical and mental condition by using IoT sensing and AI



PoC on workplace/worker sensing

×



Health AI support as application for PoC by utilizing Toshiba's AI technology

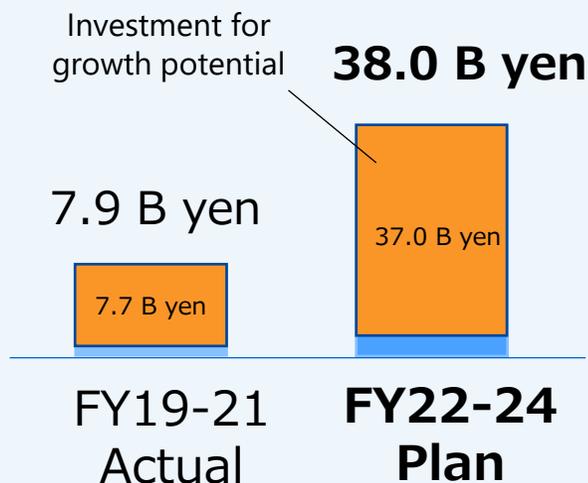
Data management · Data services

**ELERA**  
COMMERCE PLATFORM

# Strategic shift of management resources

## Shift management resources to strategic areas to accelerate business model transformation

### Investment

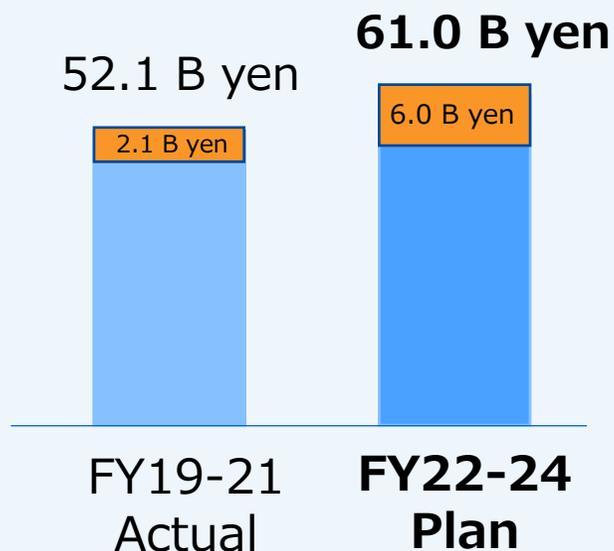


RS : Next generation store, Payment, SCM, Data services

WS : DMS, Auto-ID Solutions

HQ: Investment for CVC and startup companies

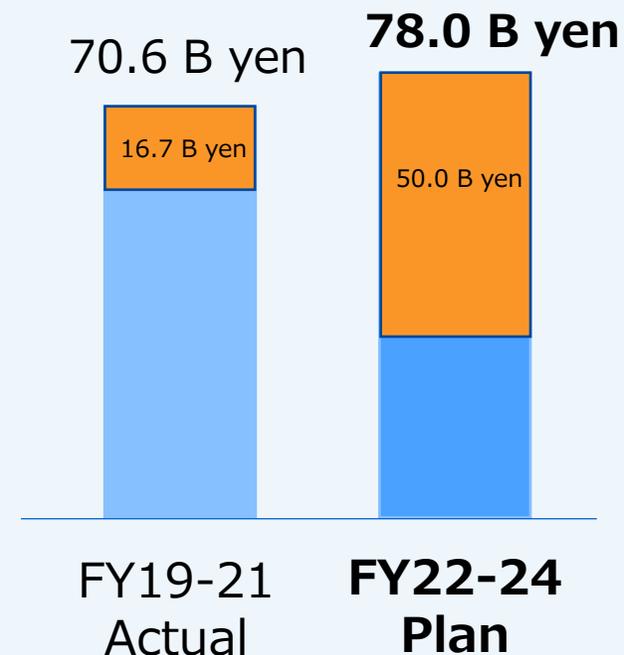
### CAPEX



RS : System for data business  
Expansion of cloud function  
Enhancement of smart receipt

WS : Develop the foundation of cloud services  
Enhancement of cloud solutions

### R&D



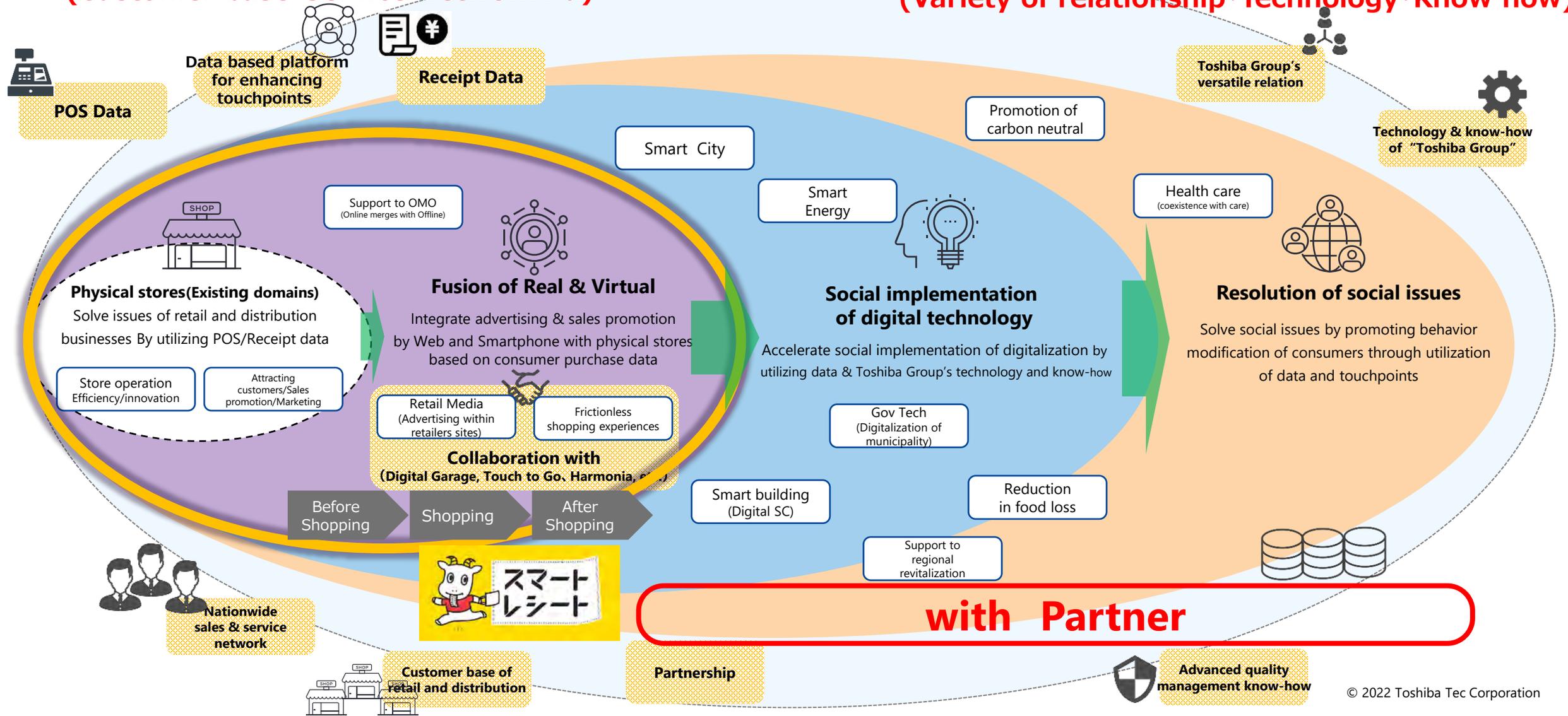
RS : Explore R&D themes for 4 focused domains in greater detail  
Accelerate ELERA development

WS : Cloud services, BCS platform

# Toshiba Tec's initiatives for solving social issues

## Toshiba Tec's Assets (Customer base·Service Network+α)

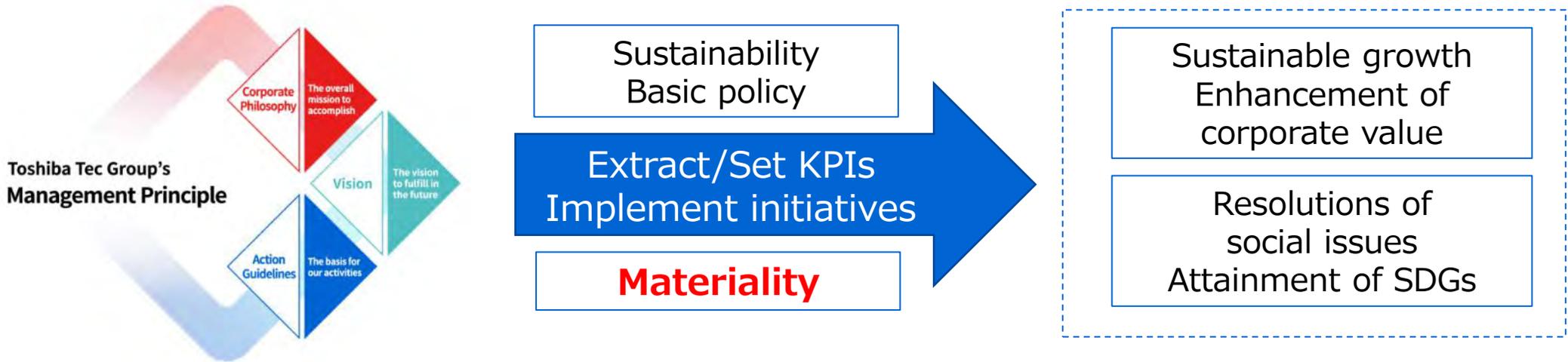
## Toshiba Group's Assets (Variety of relationship·Technology·Know how)



# Toshiba Tec's sustainability management

The Toshiba Tec Group will contribute to solving social issues by dealing with materiality extracted from its management principle

**Become a solutions partner transforming from a vendor (HW+ Maintenance)**



## Materiality

### Environment

- Respond to climate change
- Respond to circular economy
- Respond to ecosystem conservation

### Society

- Secure employment and its education
- Secure employee's health and safety
- Respect human rights
- Promote sustainable procurement activity
- Reinforce R&D to generate innovation

### Governance

- Strengthen corporate governance
- Increase cyber resilience

# Toshiba Tec's initiatives for SDGs through its Growth strategy

Contribute to a realization of sustainable society by creating unique value which can be made possible only by the Toshiba Tec group that knows customers better than anyone else

## Social issues

### Customer issues

- Economic development of community and social cost saving
- Work-style reform and measures against labor shortage
- Integration of EC and bricks-and-mortar stores
- Strengthen marketing
- Improve efficiency and productivity at stores, offices, logistics and manufacturing
- Variety of checkout and payment methods
- Move to a paperless society
- Diminish food waste
- Build a social infrastructure for business ecosystem
- Sustainable use of resources and waste management

Solve not only customer issues but also social issues lying at the bottom of customer issues

- Create new value through co-creation
- Create new value through data utilization
- Protect privacy and personal information



## Toshiba Tec's initiatives for SDGs



Forward-looking statements concerning Toshiba Tec's future performance contained in this presentation represent certain reasonable assumptions based on economic, financial and competitive data and information currently available. However, actual results will be affected by the business and competitive environment and may differ materially from forecasts.

**TOSHIBA**