

[TRANSLATION]

April 16, 2018

To whom it may concern:

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President and Representative Director
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Notification Concerning the Acquisition of Shares of Toshiba Security Guard Corporation

SECOM CO., LTD. (SECOM) hereby announces that it will acquire 80.1% of the outstanding shares of common stock of Toshiba Security Guard Corporation (TOSEC)—a total of 481 shares—from Toshiba Corporation.

1. Reason for the Acquisition

TOSEC provides static guard services, mainly for plants and offices of the Toshiba Group, maintenance and inspection services for power facilities and fire protection and extinguishing equipment, and reception and other business support services. To help secure the foundation of its customers' business activities, the company endeavors to protect lives and assets and prevent accidents around the clock.

SECOM believes that access to TOSEC's extensive know-how and wealth of experience in services for large-scale facilities, including plants, will enhance its ability to not only provide security services but also support a secure foundation for its customers' business activities through the development and provision of high-value-added services.

Looking ahead, SECOM and TOSEC will endeavor to leverage their respective strengths and generate synergies with the goal of offering ever-better services to the customers of both companies.

2. Outline of a Subsidiary to be Acquired

a. Name	Toshiba Security Guard Corporation	
b. Address	2-4, Isago 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	
c. Name and Title of Representative	Hiroki Okada, President and Representative Director	
d. Business Description	Security services	
e. Capital	30 million yen	
f. Date of Establishment	July 2, 1990	
g. Major Shareholders and Shareholding Ratio	Toshiba Corporation	100%
h. Relationship between SECOM and TOSEC	Capital Relationship	There is no capital relationship to be mentioned between SECOM and TOSEC. There is also no capital relationship to be specially mentioned between affiliated parties and companies of SECOM and those of TOSEC.
	Personnel Relationship	There is no personal relationship to be mentioned between SECOM and TOSEC. There is also no personal relationship to be specially mentioned between affiliated parties and companies of SECOM and those of TOSEC.
	Transactional Relationship	There is no transactional relationship to be mentioned between SECOM and TOSEC. There is also no transactional relationship to be specially mentioned between affiliated parties and companies of SECOM and those of TOSEC.

i. Business Performance and Financial Conditions for the Last Three Years (Non-consolidated) (In millions of yen)			
Fiscal Years Ended	March 31, 2015	March 31, 2016	March 31, 2017
Net Assets	52	160	574
Total Assets	2,692	3,048	3,391
Net Assets Per Share of Common Stock (yen)	87,594	267,823	956,858
Revenue	7,008	7,018	6,626
Operating Profit	95	231	801
Ordinary Profit	102	235	821
Net Income	15	123	536
Net Income Per Share of Common Stocks (yen)	25,093	205,322	894,358
Cash Dividends Per Share of Common Stock (yen)	25,093	205,323	894,356

3. Outline of the Transferor for the Share Purchase

a. Name	Toshiba Corporation	
b. Address	1-1, Shibaura 1-chome, Minato-ku, Tokyo	
c. Name and Title of Representative	Satoshi Tsunakawa, President and COO	
d. Business Description	Energy system solutions, infrastructure system solutions, storage and device solutions and industrial ICT solutions	
e. Capital	499,999,997,000 yen (As of December 5, 2017)	
f. Date of Establishment	June 25, 1904	
g. Net Assets	(275,704) million yen (As of March 31, 2017, consolidated)	
h. Total Assets	4,269,513 million yen (As of March 31, 2017, consolidated)	
i. Major Shareholders and Shareholding Ratio (As of March 31, 2017)	GOLDMAN SACHS INTERNATIONAL	8.9%
	JP MORGAN CHASE BANK 380055	6.91%
j. Relationship between SECOM and Toshiba	Capital Relationship	There is no capital relationship to be mentioned between SECOM and Toshiba. There is also no capital relationship to be specially mentioned between affiliated parties and companies of SECOM and those of Toshiba.
	Personnel Relationship	There is no personal relationship to be mentioned between SECOM and Toshiba. There is also no personal relationship to be specially mentioned between affiliated parties and companies of SECOM and those of Toshiba.
	Transactional Relationship	SECOM provides security services to Toshiba. There is also no transactional relationship to be specially mentioned between affiliated parties and companies of SECOM and those of Toshiba.
	Related Party Relationship	Toshiba is not a related party of SECOM.

4. The Number of Shares to be Acquired, Purchase Price and Conditions of Shares Held before and after the Acquisition

(1) The number of shares held before the acquisition	0 shares (The number of voting rights: 0) (Shareholding ratio: 0%)
(2) The number of shares to be acquired	481 shares (The number of voting rights: 481)
(3) Purchase price	Common stocks of TOSEC: approximately 2.5 billion yen Advisory fees and others: approximately 0.1 billion yen Total: approximately 2.6 billion yen
(4) The number of shares to be held after the acquisition	481 shares (The number of voting rights: 481) (Shareholding ratio: 80.1%)

5. Schedule for the Share Purchase

(1) Execution of Share Purchase Agreement	April 16, 2018
(2) Closing Date	August 31, 2018 (planned)

6. Future Prospects

Detailed effects of this acquisition on SECOM's consolidated financial position and performance will be reviewed and disclosed in a timely manner.

7. Other Items to be Specially Mentioned

The execution of this acquisition is conditional upon no such factor prohibiting the execution of the acquisition, including cease and desist order, as a result of the examination by the authorities of competition law required.

(Reference)

Projections for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2018, disclosed on May 11, 2017, and the Consolidated Financial Results for the Fiscal Year Ended March 31, 2017

(In millions of yen)

	Consolidated Revenue	Consolidated Operating Profit	Consolidated Ordinary Profit	Net Income Attributable to Owners of the Parent
Projected Financial Results for the Fiscal Year Ending March 31, 2018	940,000	132,400	139,200	84,800
Actual Financial Results for the Fiscal Year Ended March 31, 2017	928,098	131,050	147,033	84,170