

October 28, 2015

Sony Corporation
Toshiba Corporation

Sony and Toshiba Sign Memorandum of Understanding for the Transfer of Certain Semiconductor Fabrication Facilities

Tokyo, Japan, October 28, 2015 -- Sony Corporation ("Sony") and Toshiba Corporation ("Toshiba") today announced that they have entered into a non-binding memorandum of understanding that confirms their intent to negotiate the transfer to Sony of certain Toshiba owned semiconductor fabrication facilities, equipment and related assets in Oita Prefecture, and also other related equipment and assets.

The parties intend to transfer fabrication facilities, equipment and related assets of Toshiba's 300mm wafer production line, mainly located at its Oita Operations. Following the transfer, Sony plans to operate the site as a production facility of Sony Semiconductor Corporation, a wholly-owned subsidiary of Sony, primarily for manufacturing CMOS image sensors.

Negotiations between the parties are proceeding with a view to Toshiba outsourcing production of the semiconductor products Toshiba currently manufactures on its 300mm wafer production line to Sony Semiconductor Corporation following the transfer.

The parties also are planning to make arrangements to offer the employees of Toshiba and its affiliates, employed at the manufacturing facilities to be transferred, as well as those involved in areas such as CMOS image sensor engineering and design (approximately 1,100 employees in total), employment within the Sony Group, upon the completion of the transfer.

This acquisition will enable Sony to increase its production capabilities in the area of CMOS image sensors, where further market growth is anticipated.

Withdrawing from the CMOS image sensors business will allow Toshiba to devote its resources to products where it has a high technological advantage, and aim to improve the profitability of its system LSI business.

After due diligence on the semiconductor fabrication facilities, equipment and related assets to be transferred, Sony and Toshiba aim to execute legally binding definitive agreements by the end of calendar year 2015. Thereafter, Toshiba and Sony aim to complete the transfer within the fiscal year ending March 31, 2016, subject to any required regulatory approvals.

Outline of 300mm wafer fabrication facilities, Toshiba Oita Operations

Building completion: February, 2004

Location: 3500 Oaza Matsuoka, Oita City, Oita Prefecture, Japan

Building area: 24,100 m²

Total floor space: 48,800 m²

Main products: CMOS image sensors, memory controllers

Media inquiries

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