

## New President & CEO of Toshiba Carrier Corporation



**President&CEO  
Hirokazu Kondo**

1 November, 2014

To our valued customers:

It is always my great privilege and pleasure to serve you and offer our products and services. I truly appreciate your business with us and am grateful for the trust you have placed in us.

Toshiba Carrier is pleased to announce today a new chapter of its history: the merger with Toshiba Carrier Airconditioning Service Corporation (TCSC), one of its wholly-owned companies, as of November 1, 2014.

We believe that this merger integrating TCSC's repair and installation operations into our business operations, will allow us to establish a "B2B One-Stop solution" mechanism to offer comprehensive services in sales, installation and maintenance for the domestic business so that we will be able to better serve our valued customers facing various challenges.

Also, Toshiba Corporation and United Technology Corporation announced that they have entered into an agreement on October 10, 2014, to strengthen the strategic collaboration between the two companies in the commercial HVAC business through their joint venture Toshiba Carrier. The deal will expand engineering and sales resources outside Japan, and will include the establishment of engineering centers in the United States and Europe to strengthen development activities and sales engineering support for these regions. The companies will also explore new opportunities for overseas manufacturing in India and North America.

The HVAC-R business is expected to mark further growth throughout the world. To become a winner in this dynamic marketplace, we must create great value for our customers as "Heat Pump Solution Company" providing them with comfort through heat-pump based optimal temperature control solutions in various fields, and such efforts should lead to a "Growth through Creativity and Innovation", for which the entire Toshiba Group is striving.

I have reiterated to our employees since day one with Toshiba Carrier that we need to have a "Sky-high Vision with Down-to-earth Mindset." We need this "Sky-high Vision" because we must push our limits and go beyond in order to accomplish innovation, otherwise, our business will go south in a wave of commoditization. At the same time, we need this "Down-to-earth Mindset" because it is indispensable to assure a solid and robust business foundation for successful innovation. We will greatly appreciate your kind and generous understanding on the recent merger with TCSC and the Toshiba-UTC strategic agreement; we need such actions to survive and thrive in the market, and they represent our determination for further business development.

In closing, I would like to stress that in Toshiba Carrier, the innovative spirit as the inventor of world-first inverter-based air conditioners and the passion to deliver solutions for optimized temperature control and comfort to your day-to-day business are imprinted in our DNA. We will endeavor to promote our CSR efforts and enhance relationships with our customers, conduct our business operations of design, development and manufacture of our products such as air conditioning systems for buildings, factories, stores, offices and rolling stock, commercial refrigeration systems, ventilating fans, residential and commercial air-to-water systems in order to provide high-performance, high-efficiency and high-reliability products to our customers through our domestic sales network as well as Carrier's world-wide distribution network.

We appreciate your support for Toshiba Carrier over many years and we will continue to serve you well and will strive for a "Growth through Creativity and Innovation."

