

Toshiba to cut up to 4,000 jobs in Japan

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Troubled Japanese industrial giant Toshiba said Thursday that it plans to cut up to 4,000 jobs domestically as part of a restructuring program.

The announcement follows the delisting of the firm's shares in December after being taken private by a consortium in the wake of multiple crises.

The headcount reduction will be achieved by November by offering employees aged over 50 who meet specific criteria voluntary early retirement.

"It was a tough decision for the management to make. But we believe these measures are essential to putting Toshiba back on the trajectory of recovery and growth," a company spokeswoman told AFP without wishing to be named.

Large-scale layoffs are rare in Japan but such use of early retirement schemes or voluntary redundancy has risen sharply.

The firm also said it is targeting operating profit of 380 billion yen (\$2.5 billion) and a return on sales of 10 percent in fiscal 2026, Bloomberg News reported.

It will move also head office functions from Tokyo's Hamamatsucho area to Kawasaki outside the Japanese capital in the first half of fiscal 2025.

Toshiba traces its roots back to 1875 and evolved into a vast conglomerate in the 20th century synonymous with Japan's postwar economic revival.

The firm became a household name in Japan and beyond, making everything from early laptop computers, elevators and nuclear power stations to microchips.

But it has lurched from crisis to crisis in recent years, including a huge accounting scandal in 2015 and billions of dollars in losses from US nuclear subsidiary Westinghouse.

Pressure from activist shareholders and a takeover offer from private

equity group CVC prompted aborted attempts to split the company first into three, and then into two.

Finally, Toshiba's board accepted in March 2023 the takeover bid worth around \$14 billion by the consortium that included around 20 Japanese banks and other firms.

Its shares were then delisted in December after more than 70 years being traded on the Tokyo bourse.

The saga was closely watched in business circles for clues about what could become of other huge, diversified conglomerates in Japan and elsewhere.

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