

May 7, 2010

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Notice of Reduction of Capital Reserve and Disposition of Other Capital Surplus

This is to give notice that Toshiba Corporation (the Company) resolved, at the board meeting held today, the submission of a proposal on the reduction of capital reserve (additional paid-in capital) to the 171st ordinary shareholders meeting to be held on June 23, 2010 and the disposition of other capital surplus as follows:

1. Purpose

The Company would reduce the amount of the capital reserve (additional paid-in capital) based on Article 448, Section 1 of the Companies Act to achieve flexible and expeditious capital policies in the future, and dispose other capital surplus based on Article 452 of the Companies Act to cover the deficit of the retained earnings brought forward on the stand-alone (non-consolidated) balance sheet.

2. Reduction of Capital Reserve (Additional Paid-in Capital) and Disposition of Other Capital Surplus

(1) Reduction of Capital Reserve (Additional Paid-in Capital)

The Company would reduce the full amount of the capital reserve (additional paid-in capital) and transfer it to other capital surplus .

① Reserve to be reduced

Full amount of the Capital Reserve (Additional Paid-in Capital)

JPY 427,625,991,118

② Capital Surplus to be increased

Other Capital Surplus

JPY 427,625,991,118

③ Effective Date

June 30, 2010

(2) Disposition of Other Capital Surplus

The Company would reduce a part of other capital surplus that increased in accordance with (1) above and transfer it to the retained earnings brought forward.

① Surplus to be reduced and its amount

Other Capital Surplus	JPY 46,772,129,409
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② Surplus to be increased and its amount

Retained Earnings Brought Forward	JPY 46,772,129,409
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③ Effective Date

June 30, 2010

on the condition that the reduction of the capital reserve (additional paid-in capital) will be approved as proposed at the 171st shareholders meeting to be held on June 23, 2010 and become effective.

3. Schedule for the Reduction of Reserve

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|------------------------------------|-------------------------------|
| (1) Board resolution | May 7, 2010 |
| (2) Public notice to the creditors | Scheduled to be May 21, 2010 |
| (3) Shareholders resolution | Scheduled to be June 23, 2010 |
| (4) Effective Date | Scheduled to be June 30, 2010 |

4. Outlook

The transactions described in this notice are transfers within “Net Assets” section and net assets will remain unchanged due to this transaction. Therefore, the business results of the Company will not be affected.