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**Notice of Fund Procurement through Hybrid Financing (Subordinated Loans)  
for the prematurity redemption of the 1st Series Unsecured, Interest Deferrable  
and Early Redeemable Subordinated Bonds Solely for Qualified Institutional Investors**  
**(Tekikaku Kikan Toshika Gentei)**

Toshiba Corporation (“Toshiba”) decided the fund procurement through Hybrid Financing (Subordinated Loans) (hereinafter referred to as the “Subordinated Loan”) for the prematurity redemption (together with the Subordinated Loan, collectively referred to as the “Refinancing”) of the 1st Series Unsecured, Interest Deferrable and Early Redeemable Subordinated Bonds Solely for Qualified Institutional Investors (hereinafter referred to as the “Existing Hybrid Securities”).

1. Objectives of this Refinancing

This Refinancing is structured to comply with the Replacement Restrictions Clause (\*1) of the Existing Hybrid Securities, and to achieve the large reduction of interest costs and to ensure more diverse and flexible replacement measures. In addition, stock dilution will not happen since the Subordinated Loan does not contain any conversion to the shares of our common stock.

\*1: Clause providing that “It is Toshiba’s intention not to redeem (excluding the redemption on the Maturity Date) nor repurchase the Existing Hybrid Securities, except to the extent that Toshiba has raised funds through issuance of common stock of Toshiba or any securities or debt which have been approved by the rating agencies as having equity credit equal to or higher than that of the Existing Hybrid Securities within the period of 6 months preceding (and including) the date of redemption or repurchase of the Existing Hybrid Securities”.

## 2. Summary of Subordinated Loan

The detail of the expected terms and conditions of the Subordinated Loan are as follows.

Loan Amount	JPY 180 billion (scheduled)
Signing Date	June 20, 2014 (scheduled)
Closing Date	June 25, 2014 (scheduled)
Use of Proceeds	Subordinated Loan shall be applied to the prematurity redemption of Existing Hybrid Securities
Repayment Date	June 25, 2074 (scheduled) Provided, however, that prepayment in full or in part of the principal amount is permitted on any business days on and after June 25, 2019, or in the case of certain specified occasions.
Replacement Restrictions	Toshiba intends to make prepayment of the principal amount after Toshiba raises funds having equity credit equal to or higher than the evaluated equity of the Subordinated Loan's principal prepayment amount by issuance of stock, subordinated loan or other means granted equity credit by Rating and Investment Information, Inc., within the period of 12 months preceding (and including) to the prepayment date. (If convertible bonds that satisfy certain requirements and are issued on or after the closing date of the Subordinated Loan are converted in to the shares of our common stock within the period of 6 months preceding (and including) to the prepayment date, Toshiba intends to make prepayment of the principal amount after Toshiba raises funds having equity credit equal to or higher than the amount obtained by subtracting the increase of net assets by the conversion from the evaluated equity of the Subordinated Loan's principal prepayment amount.)
Interest Clause	Optional suspension of interest payment / Mandatory payment of the Optional Deferred Payment Amount
Subordination Clause	In liquidation proceedings, bankruptcy proceedings, corporate reorganization proceedings or civil rehabilitation proceedings of Toshiba or any proceedings that are equivalent thereto in accordance with laws other than Japanese law, the lenders of the Subordinated Loan shall have the claim against Toshiba subordinated to senior debt and only to the extent that the Subordinated Loan are treated as substantially <i>pari passu</i> with

	<p>most preferred stock issued or to be issued by Toshiba which ranks most senior with respect to the right to receive dividends from surplus.</p> <p>Each clauses of the Subordinated Loan shall not be revised if the revision will get negative effect to Toshiba's creditors other than lenders of the Subordinated Loan.</p>
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### 3. Outline of prematurity redemption of Existing Hybrid Securities

Date of prematurity redemption	June 25, 2014
Total Amount of prematurity redemption (Total face value)	JPY 180 billion
Redemption Value	JPY 100 per JPY 100 of the principal amount of each Existing Hybrid Securities
Reason for Redemption	Pursuant to the prematurity redemption clause of the Existing Hybrid Securities