

FOR IMMEDIATE RELEASE

September 28, 2016
Toshiba Corporation

Notice Regarding Revision of Business Results Forecast

TOKYO – Toshiba Corporation (TOKYO: 6502) (the “Company”) today announced the following revision to its business forecasts for the first six months (April-September) of FY2016, ending March 31, 2017. These revised forecasts replace the forecasts announced on August 12, 2016.

1. Details of revision

Consolidated forecast for the first six months of FY2016 (April 1, 2016 – September 30, 2016)

(Yen in billions)

	(A) Previous Forecast ^[1]	(B) Revised Forecast	(B) – (A)	(B)/(A)
Net sales	2,470.0	2,550.0	+80.0	103.2%
Operating income (loss)	30.0	70.0	+40.0	233.3%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	0	30.0	+30.0	–
Net income (loss) attributable to shareholders of the Company	70.0	85.0	+15.0	121.4%
Earnings (losses) per share attributable to shareholders of the Company	16.53 yen	20.08 yen	–	–

2. Reasons for revision

Increased operating profit is expected in the Storage & Electronic Devices Solutions business segment. In the Memory business, price levels remained firm, contrary to the Company’s previous forecast, as increased demand for smartphones resulted in a strong market environment. Prices also remained firm in the HDD business on continued strong demand, mainly for PCs and gaming machines. A more than expected shift in the exchange rate toward yen depreciation is also expected to increase sales in the segment.

Results for other businesses are also shifting positively.

As a result of the foregoing, operating income is expected to be 70 billion yen, a 40 billion yen increase from the previous forecast of 30 billion yen.

Further to the foregoing, the Company expects to record provision of around 10 billion yen in respect of claims for compensatory damages related to accounting issues, and as a result, although operating income is expected to increase by 40 billion yen, the increase in income (loss) from continuing operations, before income taxes and noncontrolling interests is forecast at 30 billion yen. This is against a previous forecast of zero yen.

Regarding the full-year forecast for FY2016, the Company will take into consideration actual FY2016 second quarter consolidated results, the anticipated exchange rate for the second half of FY2016, and the market environment in which it operates. If necessary, the Company will promptly announce any required revisions.

The Company's consolidated results for the second quarter of FY2016 are scheduled for announcement on November 11, 2016.

Disclaimer:

This report of business results contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on Toshiba's assumptions and beliefs in light of the data currently available to the Company. Actual results are subject to a number of risks and uncertainties and may differ significantly from Toshiba's assumptions. Major risk factors are as indicated below, though this list is not necessarily exhaustive.

- Major disasters, including earthquakes and typhoons;
- Lawsuits or other disputes in Japan or in other countries;
- Success or failure of businesses promoted by Toshiba Group in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political or economic conditions in Japan or abroad; or regulatory changes;
- Rapid changes in the supply and demand situation in major markets or intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market;
- Changes in financial markets, including fluctuations in interest rates and exchange rates.

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