

October 31, 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, following decision of the board held today. These revised forecasts replace the forecasts announced on September 28, 2016. The announcement of the second quarter of fiscal year 2016 is scheduled on November 11, 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	2,550.0	2,580.0	+30.0	101.2%
Operating income (loss)	70.0	95.0	+25.0	135.7%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	30.0	65.0	+35.0	216.7%
Net income (loss) attributable to shareholders of the Company	85.0	115.0	+30.0	135.3%
Earnings (losses) per share attributable to shareholders of the Company	20.08 yen	27.16 yen	–	–

2. Reasons for revision

Increased operating profit is expected in the Storage & Electronic Devices Solutions business segment by approx. 13 billion yen compared to previous forecast. In the Memory business, price levels remained positive, as increased demand for smartphones resulted in a strong market environment. Prices also remained strong in the HDD business on continued strong demand, mainly for PCs and gaming machines. A more than expected cost restructuring effect and sales front loaded schedule lead into positive performance.

Increased operating profit is also expected in the Energy Systems & Solutions business segment by approx. 7.0 billion yen, as it saw firm business operations in Nuclear Power business, and Thermal and Hydropower business, and previous forecast

included estimates considered for uncertain consolidated results.

As a result of the foregoing, operating income is expected to be 95 billion yen, a 25 billion yen increase from the previous forecast of 70 billion yen.

Further to the foregoing, the Company's forecast included estimates considered for uncertain consolidated results, and as a result, the increase in income (loss) from continuing operations, before income taxes and noncontrolling interests is forecast at 65 billion yen. This is 35 billion yen increase against a previous forecast of 30 billion yen.

Regarding the full-year forecast for FY2016, the Company is currently reviewing carefully on future business situation and various measures to make profit in all business units. If necessary, the Company will promptly announce any required revisions.

		(Yen in billions)
	Sales	Operating Income
Energy Systems & Solutions	760.0 (+15.0)	9.0 (+7.0)
Infrastructure Systems & Solution	564.0 (+0)	11.0 (+5.0)
Storage & Device Solution	800.0 (+9.0)	78.0 (+13.0)

Note

1. Figures in peripherals are difference between the forecast revised on September 28, 2016. This was not disclosed in the previous announcement.
2. Retail & Printing Solution, Industrial ICT, and Others are not included in this chart

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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