

[Translation]

December 19, 2016

Toshiba Corporation

Notice on Continuation of Designation of Toshiba Stocks as “Securities on Alert”

Toshiba Corporation (the “Company”) hereby announces that the Company today received notices from the Tokyo Stock Exchange (“TSE”) and Nagoya Stock Exchange (“NSE”) to the effect that they will continue to designate Toshiba's stock as a security on alert. Details follow.

1. Reason for Continuation of Designation as a Security on Alert

The Company received the investigation report of the Independent Investigation Committee concerning inappropriate accounting processing on July 20, 2015 and announced corrections to past earnings reports, etc., on September 8, 2015.

As a result of made erroneous statements in its securities reports, etc., the Company received a notice from TSE and NSE which found that the Company had serious problems in its internal control systems, that improvement of the Company's internal management systems was highly necessary, and that designated the shares of the Company as “Securities on Alert” with the effective date of September 15, 2015.

On September 15, 2016, the Company submitted a written confirmation of internal management system to TSE and NSE, and this has subsequently been checked

The TSE and NSE has checked that measures have been implemented toward securing improvement, including review of a management policy that excessively pursued short-term profit; review of the composition of and changes to the ways in which the board of directors and the audit committee operated; and reorganization and enhancement of the functionality of divisions that are supposed to exercise monitoring functions.

However, they also found that some problems related to accounting processes, etc., remained after the designation as a security on alert, and that these indicate that the Company needs to implement further measures in such areas as ensuring compliance and affiliate company management. Accordingly, TSE and NSE deemed that they still need to verify the implementation and progress of such measures.

Based on the decision by TSE and NSE to continue the stock's designation as a security on alert, the Company will not immediately be delisted, but if one year and six months elapse from the date of designation as a security on alert (March 15, 2017), and TSE and NSE deem that the internal management system, etc., of the Company has not been improved after further review of the written confirmation of internal management system to be resubmitted

by the Company, the stock of the Company will be delisted.

Toshiba here deeply regrets and apologizes for causing great concerns to its shareholders, investors and stakeholders, and for confusion in the market.

2. Forward-looking Actions

On receiving today's decision to continue to designate its stock as a security on alert, the Company will channel all its efforts, and those of Toshiba Group as a whole, into improvement of its internal management system, in order to secure release from the current designation.

The Company will in due course report the details of further measures to improve its internal management system in a timely and appropriate manner.

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