

April 4, 2017
Toshiba Corporation

Notice on Acquisition of ENGIE's Stake in NuGeneration Limited

TOKYO – Toshiba Corporation (Tokyo: 6502) hereby gives notice that on April 3, 2017 (Central European Summer Time), Toshiba received a notice from ENGIE S.A. (“ENGIE”), a co-founder of NuGeneration Limited (“NuGen”), to the effect that ENGIE has exercised its right to require Toshiba to purchase all shares in NuGen held by ENGIE (40% ownership).

1. Outline of ENGIE's Notice

Under the Shareholder Agreement (the “Agreement”) between Toshiba and ENGIE, shares of NuGen are currently held 60% by Toshiba and 40% by ENGIE. As announced on March 29, 2017, in “Notice on Chapter 11 Filing by Westinghouse Electric Company and its Group Entities,” Westinghouse Electric Company has filed for a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code, an action that meets the definition of an “Event of Default” under the terms of the Agreement. Occurrence of such an Event of Default entitles ENGIE to sell its entire shareholding to Toshiba, or to acquire all shares held by Toshiba. ENGIE has accordingly exercised its rights to require Toshiba buy its holding.

2. Toshiba's Purchase Price, Date of Payment and Closing of Purchase

(1) Toshiba's Purchase Price

Approx. 15.3 billion yen*¹

*¹: Pursuant to the Agreement, the purchase price will be at the higher of either the open market value or the amount that ENGIE's invested to acquire its stake in NuGen. The purchase price indicated above is based on the amount invested by ENGIE before March 2017.

(2) Date of Payment and Closing of Purchase

To be discussed with ENGIE under the terms of the Agreement.

3. About NuGen

In June 2014, Toshiba acquired a 60% stake in NuGen, a UK-based nuclear energy company. NuGen had plans to develop nuclear power plants at the Moorside site in West Cumbria, Northwest England, and Toshiba made the acquisition with the intent of moving forward with the construction of three Westinghouse AP1000® nuclear reactors. Toshiba realized its 60% holding by purchasing all shares held by Iberdrola, and another 10% share held by ENGIE (previously named GDF Suez S.A.). Toshiba

has subsequently partnered with ENGIE to develop the project. NuGen was granted regulators' design acceptance for the AP1000® on March 30, 2017, allowing construction of the reactors, and is now working towards final investment decisions, including acquiring a development permit

Company Outline of NuGen

Name	NUGENERATION LIMITED
Address	Unit 16 Ingwell Hall, Westlakes Science & Technology Park, Moor Row, Cumbria, CA243JZ, UK
Name of Representative	Thomas SAMSON
Capital Stock	GBP 329.17 million (as of March 2017)
Business Outline	Development of a new generation nuclear power station at the Moorside site in West Cumbria, Northwest England; responsible for regulatory work, permits and licensing, and commercial activities.

4. Future Outlook

This acquisition will have the possibility to record impairment in the non-consolidated fourth quarter financial results of FY2016. However, the impairment of NuGen shares will only reflect to the non-consolidated profit and loss, and as this will be eliminated under the consolidated basis, there will be no impact on consolidated profit and loss statement.*² Also, as Toshiba estimates the impact on consolidated shareholders' equity and net assets, a reduction of some degree is expected. Toshiba will conduct impairment testing for the goodwill and fixed assets, but the results will not have an additional impact on the loss announced on March 29, 2017, as Toshiba included an estimated impairment loss covering a maximum loss exposure of approximately 49.7 billion yen for the NuGen project in the announced estimates of financial results, as a conservative accounting measure.

*² : Since this is an acquisition of an additional interest in a consolidated subsidiary, the additional interest and corresponding equity attributable to interests will be eliminated. The gap between the acquisition price and corresponding equity in interest will not impact on goodwill but on additional paid-in capital.

Toshiba will continue to look for investors interested in investing in NuGen, and seek to sell off its holding in the company. Toshiba will ensure prompt disclosure of information when necessary.

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