

November 30, 2017
Toshiba Corporation

Notice on Transfer of Business of Toshiba General Hospital

TOKYO---Toshiba Corporation (the Company) and Midorino-kai, a medical corporation that belongs to the Kamachi group (CEO: Masumi Kamachi), today entered into a business transfer agreement (the Business Transfer Agreement) in respect of the transfer of the business operated by Toshiba General Hospital (the Business).

1. Background

Since opening in 1945, Toshiba General Hospital has embodied the Company's commitment to "Contribute to society through medical care" by practicing high quality medical care and cultivating highly skilled personnel in the medical field.

The Company determined to enter into the Business Transfer Agreement with Midorino-kai because it concluded that Midorino-kai's broad expertise in the medical sector, its resources and its achievements in areas ranging from the acute stage to convalescence will enable Toshiba General Hospital to make further contributions to the regional medical services.

2. Overview of the transfer of the Business

(1) Details of Toshiba General Hospital

Name	Toshiba General Hospital
Location	6-3-22, Higashioi, Shinagawa-ku, Tokyo
Director	Masahiro Arai
Clinical departments	Gastroenterology, Cardiology, Pulmonology, Metabolic Endocrinology, Hematology, Nephrology, Neurology, Surgery, Obstetrics and Gynecology, Pediatrics, Urology, Orthopedics, Rehabilitation, Ophthalmology, Otolaryngology, Dermatology, Neuropsychiatry, Palliative Care, Radiology, Anesthesiology, Pathology, Dental and Oral surgery, Neurosurgery
Number of beds	308beds(12 beds treated as occupational beds)
Established	January 15, 1945

*Toshiba General Hospital is operated as one of the divisions of the Company.

* "12 beds treated as occupational beds" are the number of beds Toshiba General Hospital, as a corporately owned hospital, is deemed to provide to employees of the

Toshiba group.

(2) Recent financial results (yen in millions)

Fiscal term	FY2015 Apr. 14 - Mar. 15	FY2016 Apr. 15 - Mar. 16	FY2017 Apr. 16 - Mar. 17
Total assets	5,123	5,123	4,761
Medical revenue	7,209	7,622	7,461
Medical profit/loss	-783	-490	-279

*The above figures are based on the financial information related to the Business that is reasonably extracted from the Company's balance sheets and profit and loss statements.

(3) Assets and liabilities to be transferred (yen in millions)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	20	Current liabilities	420
Fixed assets	3,450	Long-term liabilities	1,120
Total	3,470	Total	1,540

*The above amount is the estimated book value as of March 30, 2018 and subject to change by the closing of the transfer of the Business.

The assets to be transferred include fixed assets (real estate) below.

(yen in millions)

Assets	Book value
Buildings	2,640
Land	130

(4) Price

The price of the transfer of the Business has been agreed at 28.5 billion yen. This price has been discussed in good faith and agreed between Midorino-kai and the Company as a reasonable amount of the assets including real estate (the land and the buildings). The payment will be made in cash.

3. Overview of Midorino-kai

Name	Medical Corporation Midorino-kai	
Location	2-6-17, Chuorinkan, Yamato-city, Kanagawa	
Name and title of representative	Susumu Kuwaki, MD, Representative Director	
Business domain	Medical business	
Established	April 2, 1956	
Net assets	507 million yen (as of March 31, 2017)	
Total assets	1,659 million yen (as of March 31, 2017)	
Relationship between the Company and Midorino-kai	Capital	None
	Personnel	None
	Business	None
	Status of related parties	None

* Overview of the Kamachi group

Business domain	Engaged in wide range of healthcare services including medical services, rehabilitation and home healthcare in the Kanto and Kyushu regions: operator of training schools for nurses, maternity nurses, physiotherapists, and occupational therapists
Entities belong to the Kamachi group	Medical Corporation Midorino-kai, social Medical Corporation the Chiyu-kai foundation, General Incorporated Association Kyojuno-kai, social Medical Corporation the Sekishin-kai foundation, Incorporated Educational Institution Fukuoka Hoken Gakuin
Number of hospitals operated by the Kamachi group and total number of beds	26 hospitals (4,976 beds), 12 clinics, 7 medical schools etc.

4. Schedule

Signing of the Business Transfer Agreement	November 30, 2017
Closing of the transfer of the Business	March 30, 2018 (scheduled*)

*The closing of the transfer of the Business is subject to Midorino-kai's acquisition of approvals required under the Medical Care Act. The Company and Midorino-kai will cooperate in applying to the competent authorities for the required approvals.

5. Accounting treatment

The accounting treatment on the transfer of the Business has not been determined. The Company will make appropriate treatment through discussions with its auditor, etc.

6. Future outlook

The Company will make timely disclosure of the impact of the transfer of the Business once it is determined.

###