

December 21, 2017
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Toshiba Memory Corporation to Prepare
New Semiconductor Fabrication Facility**

TOKYO—Toshiba Corporation (TOKYO: 6502) today announced that it is going ahead with a forward-looking plan for a new memory fabrication facility in Kitakami, Iwate prefecture. Toshiba Memory Corporation (TMC), a wholly owned subsidiary of Toshiba, will establish a company to operate the facility, and invest approximately 7 billion yen in site preparation and initial construction work in FY2017. The new facility, announced on September 6, 2017, will produce BiCS Flash™, TMC's proprietary flash memory. It will be TMC's seventh fab.

1. TMC's Strategy

Continued strong demand for flash memory from data centers and enterprise servers has already prompted TMC to expand its memory production facilities at Yokkaichi Operations in Mie Prefecture. With Fab 6 under construction and scheduled for completion at the end of 2018, TMC is now looking further into the future, and moving forward with the construction of an additional 3D flash memory clean room to meet anticipated growth in demand.

TMC will complete acquisition of land for the new facility and start site preparation in February next year, and make initial orders for construction materials and equipment at the same time.

Detailed decisions on the construction schedule and pace of facility investment at Kitakami will be made in FY2018 and after, in line with market trends.

TMC will establish a new company, Toshiba Memory Iwate Corporation, to manage the start-up and operation of the facility.

2. Outline of Toshiba Memory Corporation

(1) Name	Toshiba Memory Corporation		
(2) Address	1-1 Shibaura 1-chome, Minato-ku, Tokyo		
(3) Name and Title of Representatives	Yasuo Naruke, Representative Executive Officer, President & CEO		
(4) Business Outline	Development, manufacturing and sales of memory and related products (Includes SSD)		
(5) Capital Stock	10 billion yen		
(6) Establishment	February 10, 2017		
(7) Major Shareholders and Shareholding Ratio	Toshiba Corporation 100%		
(8) Relationship between Toshiba Corporation and Toshiba Memory Corporation	Capital Relationship	Toshiba Corporation holds 100% share of TMC	
	Personnel Relationship	One member of Toshiba Corp's executive officer is the member the Board of TMC	
	Business Relationship	Toshiba and TMC has relationship of sales and Memory, and other related products	
	Others	TMC is a consolidated company of Toshiba Corporation	
(9) Financial Condition and Operating Performance (Consolidated Basis)	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Net Assets (Equity)	---	---	10 million yen
Total Assets	---	---	10 million yen
Shareholder's Equity per Share	---	---	10 thousand yen
Net Sales	---	---	0 yen
Operating Income	---	---	0 yen
Net Income (Loss)	---	---	0 yen

Recurring Profit	---	---	0 yen
Net Income (Loss) per Share	---	---	0 yen
Dividend per share	---	---	0 yen

Note:

TMC was established on Feb. 10, 2017 and started business on April 1, 2017, taking over the memory business from Toshiba Corporation. As a result figures for FY2016, to March 31, 2017, and indicated as zero yen.

3. Outline of Toshiba Memory Iwate Corporation

1. Name	Toshiba Memory Iwate Corporation
2. Address	6-6, Kita Kogyo-Danchi, Kitakami-City, Iwate
3. Name and Title of Representative	Akimichi Yonekura President and Chief Executive Officer
4. Business Outline	Manufacture of memory ICs
5. Capital Stock	10 million yen
6. Established	December 25, 2017 (planned)
7. Major Shareholders and Shareholding Ratio	TMC 100%

4. Outlook

This investment decision is incorporated into the 600 billion yen investment plan for the Storage & Devices Solutions Segment announced on November 9, 2017, and does not impact on the forecast for FY2017 full year business results announced on the same day, as accounting for most of the investment will be done in FY2018.

As Toshiba announced on December 13, 2017, in “Toshiba and Western Digital Reach Global Settlement and Agree to Strengthen Flash Memory Collaboration”, TMC and Western Digital intend to enter into definitive agreements on Western Digital’s participation in the new Kitakami facility.

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