

FOR IMMEDIATE RELEASE

Regarding Sales of Holding in a Consolidated Subsidiary

TOKYO--Toshiba Corporation (TOKYO: 6502) today announced that it has decided to sell its entire holding in LC Collateral SPV LLC (LCC), a consolidated subsidiary, to LC SPV ACQUISITION LLC (LSA), and to this end has entered into a membership interest purchase agreement. After the completion of the sale, LCC will be excluded from Toshiba's consolidation.

1. Background to sale of holding

As stated in Toshiba's November 27, 2017 announcement, "Regarding Capital Reduction at a Consolidated Subsidiary," Toshiba established LCC on March 21, 2017 as a fund manager responsible for such functions as providing collateral to financial institutions with which Westinghouse Group has had transactions.

As Toshiba announced today in "Regarding Sales of Westinghouse-Related Assets Held by Toshiba and the Forecast for Toshiba's Shareholders' Equity at the end of FY2017," Toshiba has entered into an assignment and purchase agreement with Nucleus Acquisition LLC (Nucleus) for the sale of Westinghouse-related assets that Toshiba holds. In relation to the deal, Nucleus made a proposal regarding Toshiba's interests in LCC. Following careful examination, Toshiba determined that selling its entire holding in LCC to LSA, an affiliate of Nucleus, has economic value for Toshiba, as it would eliminate uncertainty in realizing a future return of the collateral that LCC has provided, and unclarity of the schedule, and accordingly decided to sell its holding.

2. Outline of LCC

(1) Name	LC Collateral SPV LLC	
(2) Address	Delaware, U.S.A.	
(3) Name and Title of Representative	Hirotake Tokunaga, President	
(4) Business Outline	Fund management, such as providing collateral to financial institutions with which Westinghouse Group has had transactions.	
(5) Capital Stock	US\$389 million (approx.40.1 billion yen)	
(6) Establishment	March 21, 2017	
(7) Major Shareholders and Shareholding Ratios	Toshiba Corporation 100%	
(8) Relationship between Toshiba and LCC	Capital	Toshiba has 100% holdings of LCC
	Personnel	Nomination of one executive
	Business	None

3. Outline of LSA

(1) Name	LC SPV ACQUISITION LLC	
(2) Address	Delaware, U.S.A.	
(3) Name and Title of Representative	Joshua A. Greenhill (Vice President)	
(4) Business Outline	Controlling and managing the business of the companies as owner or shareholder of said companies	
(5) Capital Stock	US\$100 million (approx. 11.3 billion yen)	
(6) Establishment	January 11, 2018	
(7) Net Assets	US\$100 million (approx. 11.3 billion yen)	
(8) Total Assets	US\$100 million (approx. 11.3 billion yen)	
(9) Major Shareholders and Shareholding Ratios	Seidi Place LLC (an entity managed by The Baupost Group, L.L.C.): 51.00% Entities managed or sub-advised by GSO Capital Partners LP: 27.00% Attestor Value Master Fund LP: 10.00% Citigroup Global Markets Inc.: 12.00%	
(10) Relationship between Toshiba and LSA	Capital	None
	Personnel	None
	Business	None
	Status of Related Parties	None

4. Interests for sale, sale price and holding after the sale

- 1) % of interest before sale: 100%
- 2) % of Interest for sale: 100%
- 3) Sale price: US\$100 million (approx. 11.3 billion yen)

5. Schedule

- 1) Date of agreement: January [18], 2018
- 2) Completion of the sale: Mid-February, 2018 (planned)

6. Future outlook

With the commencement of the reorganization proceedings, Toshiba has already recorded a write-down of the amount equivalent to Toshiba's holding in LCC for its business results for FY2016, ended March 31, 2017, and the book value on LCC's consolidated financial statements is almost zero yen accordingly. With the sale of Toshiba's holding in LCC for the price of US\$100 million (approx. 11.3 billion yen), Toshiba expects to record a profit before taxes of same amount, which is approx. 11.3 billion yen, in its consolidated financial statements for FY2017 ending March 31, 2018. Toshiba announced its results forecasts for FY2017, to March 31, 2018, on November 9, 2017, and will promptly announce any item that requires further disclosure

* For convenience only, all U.S. dollar figures in this announcement are valued at 113 yen to the dollar.

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