

March 30, 2018
Toshiba Corporation

FOR IMMEDIATE RELEASE

**Notice on Additional Acquisition of Shares of
Nuclear Fuel Industries by Toshiba's Consolidated Subsidiary**

TOKYO--Toshiba Corporation (TOKYO: 6502) announced that it has decided that Toshiba Energy Systems & Solutions Corporation (hereinafter ESS), a key Toshiba Group company that specializes in the energy businesses, will acquire the 48% of the shares in Nuclear Fuel Industries, Ltd. (hereinafter NFI) equally owned by Sumitomo Electric Industries, Ltd. (hereinafter Sumitomo) and Furukawa Electric Co., Ltd. (hereinafter Furukawa). ESS today signed share purchase agreements with the two companies.

Toshiba announced on October 31, 2017, in “Notice on Agreement with Westinghouse Electric Company Regarding Transfer of Shares of Toshiba's Consolidated Subsidiary” that it had agreed with Westinghouse Electric Company LLC (hereinafter Westinghouse) and Westinghouse Electric UK Holdings Limited (hereinafter WECUKH) that ESS would acquire the 52% of the shares of NFI held by WECUKH. That transaction is proceeding. Toshiba now intends to complete the acquisition of all outstanding shares (the Transfer of All Shares) owned by WECUKH, Sumitomo and Furukawa by the first quarter of FY2018. After this is completed, NFI will become a wholly-owned subsidiary of Toshiba.

1. Background to additional acquisition

Since its establishment as an equally-owned joint venture of Sumitomo and Furukawa in 1972, NFI has provided nuclear power plants in Japan with a stable supply of nuclear fuel. When WECUKH acquired 52% of NFI shares in 2009, NFI had become Toshiba's consolidated subsidiary. However, when Toshiba Nuclear Energy Holdings (UK) Limited (hereinafter TNEH (UK)), the parent company of WECUKH, joined Westinghouse Group companies in the U.S. in filing a voluntary petition for bankruptcy with the U.S. Bankruptcy Court of New York on March 29, 2017, under Chapter 11 of the U.S. Bankruptcy Code, NFI was deconsolidated from Toshiba Group.

Under the reorganization plan for Westinghouse, WECUKH will be transferred to Brookfield WEC Holdings LLC, an affiliate of Brookfield Business Partners LP and its affiliates, which is now completing the procedures for the takeover of

Westinghouse, as part of Westinghouse's reorganization plan.

However, since NFI business is based in Japan, Toshiba decided that it would be appropriate for ESS to be involved in the management of NFI, and subsequently discussed and agreed with Westinghouse that ESS would acquire the 52% of NFI shares held by WECUKH, upon fulfilling all necessary conditions. This transaction is now in process.

In addition to this agreement, Toshiba separately discussed and agreed with Sumitomo and Furukawa to acquire their holdings of the remaining 48% of NFI shares.

With ESS's acquisition of all outstanding shares in NFI, ESS will make NFI a wholly-owned subsidiary.

2. Outline of NFI

(1) Company name	Nuclear Fuel Industries, Ltd.	
(2) Headquarters	2-2-4 Higashi-Shinagawa, Shinagawa-ku, Tokyo, JAPAN	
(3) Name and Title of Representative	Kenichi Kitagawa, President and CEO	
(4) Business Outline	Development, design, and production of nuclear fuel for light-water reactors (PWR and BWR) Core management services for light-water reactors (PWR and BWR) Development, design, and production of fuel for new HTR reactors and other research reactors Technological development related to the nuclear fuel cycle Design and manufacturing of nuclear fuel-related inspection equipment Sterilization and material processing services by electron beam irradiation	
(5) Capital Stock	1 billion yen	
(6) Established	July 1972	
(7) Shareholders composition	WECUKH: 52% Sumitomo Electric Industries, Ltd.: 24% Furukawa Electric Co., Ltd.: 24%	
(8) Relationship	Capital	Toshiba indirectly holds 52% of

between Toshiba or ESS and NFI		NFI's shares. However, NFI is currently deconsolidated from Toshiba Group due to filing by TNEH (UK) of voluntary petition under Chapter 11 of the U.S. Bankruptcy Code.
	Personnel	There is no personnel relationship between Toshiba, ESS and NFI.
	Business	There are no business transactions between Toshiba and NFI. There are a small number of transactions between ESS and NFI, but their value is minimal.

(9) Operating Performance and Financial Condition in the Last Three Fiscal years

Fiscal years Unit: million yen	FY2014 (Ended Mar. 2015)	FY2015 (Ended Mar. 2016)	FY2016 (Ended Mar. 2017)
Net Assets	12,470	11,034	5,058
Total Assets	31,340	28,826	24,814
Net Sales	7,310	8,098	7,838
Operating Income (loss)	-936	-1,611	-83.9
Recurring Profit	-1,495	-1,498	-75.7
Net Income (loss)	-2,045	-1,406	-5,960

3. Outline of Sumitomo and Furukawa

(1) Name	Sumitomo Electric Industries, Ltd.
(2) Address	4-5-33, Kitahama, Chuo-ku, Osaka, Japan
(3) Name and Title of Representative	Osamu Inoue, President & COO
(4) Business Outline	Manufacture and sales of products related to: automotive, electronics, infocommunications, industrial materials, and environment & energy
(5) Capital	99,737 million yen (as of March 31, 2017)
(6) Establishment	April 1897
(7) Net Assets	1,626,502 million yen
(8) Total Assets	2,903,584 million yen
(9) Major Shareholders and Shareholding Ratios	Japan Trustee Services Bank, Ltd. (Trust Account) 7.70% The Master Trust Bank Japan, Ltd. (Trust Account) 6.24% Nippon Life Insurance Company 3.11%

(10)Relationship between Toshiba or ESS and Sumitomo	Capital	There is no capital relationship between Toshiba or ESS and Sumitomo
	Personnel	There is no personnel relationship between Toshiba and ESS and Sumitomo
	Business	There are a small number of transactions between Toshiba or ESS and Sumitomo.
	Status of Related Parties	None

(1) Name	Furukawa Electric Co., Ltd.	
(2) Address	2-2-3, Marunouchi, Chiyoda-ku, Tokyo, Japan	
(3) Name and Title of Representative	Keiichi Kobayashi, President	
(4) Business Outline	Infrastructure Electronics & Automotive Systems Functional Products Service and Developments, etc.	
(5) Capital	69,395 million yen (as of March 31, 2017)	
(6) Establishment	June 25, 1896	
(7) Net Assets	237,051 million yen	
(8) Total Assets	750,126 million yen	
(9) Major Shareholders and Shareholding Ratios	Japan Trustee Services Bank, Ltd. (Trust Account) 7.88% The Master Trust Bank of Japan, Ltd. (Trust Account) 7.02% Trust & Custody Services Bank, Ltd. (Mizuho Trust & Banking; Employee Retirement Benefit Trust, Mizuho Bank Account) 3.42%	
(10)Relationship between Toshiba or ESS and Furukawa	Capital	There is no capital relationship between Toshiba or ESS and Furukawa
	Personnel	There is no personnel relationship between Toshiba or ESS and Furukawa
	Business	There are a small number of transactions between Toshiba and ESS and Furukawa.

	Status of Related Parties	None
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4. Status of shares

(1) No. of shares currently held

No. of shares before the Transfer of all shares	0 share (ownership: 0.0%)
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(2) No. of shares planned to be acquired from WECUKH (announced on October 31, 2017)

No. of shares to be acquired	1,040,000 shares (ownership: 52.0%)
Purchase price	US\$1

(3) No. of shares planned to be acquired from Sumitomo

No. of shares to be acquired	480,000 shares (ownership: 24.0%)
Purchase price	US\$1

(4) No. of shares planned to be acquired from Furukawa

No. of shares to be acquired	480,000 shares (ownership: 24.0%)
Purchase price	US\$1

No. of shares after the Transfer of all shares	2,000,000 shares (ownership: 100%)
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*Advisory expenses and others for the Transfer of All Shares will be 62 million yen.

5. Schedules

(1) Acquisition of NFI shares from WECUKH

Date of decision: November 16, 2017

Date of signing agreement: November 23, 2017

Date of closing: By the end of June, 2018 (planned)

(2) Acquisition of NFI shares from Sumitomo and Furukawa

Date of decision: March 27, 2018

Date of signing agreement: March 30, 2018

Date of closing: By the end of June, 2018 (planned)

6. Future Outlook

The Transfer of all shares will be completed within 1st quarter of FY2018, and following this NFI will become Toshiba's consolidated subsidiary. There will be no change in Toshiba's business results forecast for FY2017, ending March 31, 2018, announced on February 14, 2018. Toshiba is reviewing its impact on the company's FY2018 financial performance, and will promptly announce any items that require disclosure.

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