

FOR IMMEDIATE RELEASE

May 15, 2018
Toshiba Corporation

**Notice on Reduction in Amounts of Capital Reserves and Stated Capital
and Appropriation of Other Capital Surplus**

TOKYO— Toshiba Corporation (TOKYO: 6502) (hereinafter “Company”) hereby gives notice that its Board of Directors, meeting today, has decided to reduce the Company’s capital reserves, submit a proposal to reduce the amount of stated capital (common stock) to the Ordinary General Meeting of Shareholders for the 179th Fiscal Year, which will be held on June 27, 2018, and subject to such a reduction becoming effective, make an appropriation of other capital surplus.

These measures will not result in any change in the number of issued shares, nor will they affect the number of shares held by each shareholder. (Please refer to the “Notice on Change in Share Unit, Consolidation of Shares, and Amendments to the Articles of Incorporation” for the total number of the issued shares, and the numbers of the shares held by shareholders.) The measures represent a reposting between accounts in the net assets section of the balance sheet, and will not cause any change in the amount of the Company’s net assets.

Details of Measures

1. Purpose

In order to fund the deficit in retained earnings brought forward in its non-consolidated balance sheet, aim to achieve a healthier financial platform, and enable flexible and agile capital policy in the future, the Company will carry out a reduction in its capital reserves as provided for under Article 448(1) of the Companies Act, a reduction in stated capital as provided for under Article 447(1), and an appropriation of other capital surplus as provided for under Article 452.

2. Outline of reduction in capital reserves and stated capital, and appropriation of other capital surplus

(1) Reduction in capital reserves

The Company will reduce all amount of capital reserves, and post it to other capital surplus.

- i. Amounts by which capital reserves will be reduced:

Capital reserves	299,999,997,000 yen
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- ii. Amount by which surplus will be increased:

Other capital surplus	299,999,997,000 yen
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- iii. Effective date: July 31, 2018

(2) Reduction in stated capital

The Company will reduce a part of stated capital and post it to other capital surplus.

iv. Amount by which stated capital will be reduced:

Stated capital 299,999,997,000 yen

v. Amount by which surplus will be increased:

Other capital surplus 299,999,997,000 yen

vi. Effective date: July 31, 2018

(3) Appropriation of other capital surplus

The Company will reduce all amount of other capital surplus (as increased by both (1) and (2) above) and post it to retained earnings brought forward.

i. Item of surplus to be reduced and amount by which it will be reduced:

Other capital surplus 758,687,345,174 yen

ii. Item of surplus to be increased and amount by which it will be increased:

Retained earnings brought forward 758,687,345,174 yen

iii. Effective date: July 31, 2018 (subject to the reduction in stated capital in (2) above being approved as proposed at the Ordinary General Meeting of Shareholders for the 179th Fiscal Year scheduled to be held on June 27, 2018)

When (1) through (3) above become effective, the amounts will be as follows.

(All amounts are in yen)

	Amount as of end of March, 2018	Amount of decrease/increase	Amount after becoming effective (expected)
Stated capital	499,999,997,000	- 299,999,997,000	200,000,000,000
Capital reserves	299,999,997,000	- 299,999,997,000	0
Other capital surplus	158,687,351,174	-158,687,351,174	0
Other retained earnings	-914,423,104,710	+758,687,345,174	-155,735,759,536
Reserve for reduction entry	4,929,191	0	4,929,191
Retained earnings brought forward	-914,428,033,901	+758,687,345,174	-155,740,688,727
Treasury Stock	-2,060,082,572	0	-2,060,082,572
Reference: Distributable amount	-757,795,836,108	+599,999,994,000	-157,795,842,108

*The above table does not include transactions in fiscal year 2018 other than those mentioned in this notice

3. Schedule

- (1) Date of resolution by Board of Directors: May 15, 2018
- (2) Date of resolution at General Meeting of Shareholders (for reduction in stated capital): June 27, 2018 (planned)
- (3) Notice to creditors on submission of objections: Late June, 2018 (planned)
- (4) Effective date: July 31, 2018 (planned)

Notes:

- The reduction in the amount of capital reserves in 2.(1) above does not require a resolution at the General Meeting of Shareholders, pursuant to Article 459(1)(ii) of the Companies Act and Article 33 of the Articles of Incorporation of the Company.
- The appropriation of other capital surplus in 2.(3) above does not require a resolution at the General Meeting of Shareholders, pursuant to Article 459(1)(iii) of the Companies Act and Article 33 of the Articles of Incorporation of the Company.

4. Outlook

These measures will not have any impact on the business results of the Company.

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