

FOR IMMEDIATE RELEASE

Toshiba's Policy on Shareholder Returns

TOKYO—Toshiba Corporation (TOKYO: 6502) has announced that its Board of Directors, meeting today, has adopted a policy on shareholder returns, now that it has completed the close of the sale of Toshiba Memory Corporation transaction. The policy is based on Toshiba's November 19, 2017 announcement, "Notice regarding Financing Transaction," which stated that Toshiba would consider shareholder returns following the close of the Toshiba Memory transaction.

1. Policy on Shareholder Returns

Under the newly announced policy, Toshiba will implement a shareholder returns at the earliest possible date, which will channel a targeted amount of approximately 700 billion yen into a share buyback. The funding represents part of the profit on the sale of Toshiba Memory. Toshiba will determine timing and mechanics with consideration for legal and other restrictions, such as insider trading regulations under Japan's Financial Instruments and Exchange Act and the Companies Act, and the impact on supply and demand of Toshiba's shares in the market. Toshiba will also continue to consider its policy on payments of stable dividends.

Commenting on the new policy, Nobuaki Kurumatani, Toshiba's Representative Executive Officer, Chairman and Chief Executive Officer, said "On May 15, 2018, Toshiba announced development of the "Toshiba Next Plan," a five-year transformation plan. While we continue to consider shareholder returns within the plan, at this point we have determined that a share buyback on a scale of approximately 700 billion yen would be appropriate, and will also allow us to maintain shareholders' equity at a healthy level. Looking ahead, we will also evaluate further measures to deliver shareholder returns, if and as necessary, by closely monitoring our equity amount."

The 700 billion yen figure is based on the estimated balance of the distributable amount after incorporating the profit from the sale of Toshiba Memory transaction into the non-consolidated distributable amount, a total of a 1.1 trillion yen, and was arrived at following conservative estimates of the scale of current potential risk, including the impact of a liquefied natural gas liquefaction tolling agreement, securities-related litigation and structural reform costs, along with the need to realize stable distribution of dividends.

Toshiba is also giving careful consideration to investments in growth, especially in

respect of M&A, which has been a source of increased risk and caused the company to record several years of enormous losses.

Toshiba is confident that it can secure a healthy shareholders' equity ratio even after execution of share buyback, as the company no longer holds Memory and Overseas Nuclear Power Plant Construction businesses.

2. Future Schedule

Although the sale of Toshiba Memory has been closed, at this point, the distributable amount available on Toshiba's non-consolidated balance sheet as of the end of March, 2018 is negative, and the terms of the Companies Act disallow execution of shareholder returns. Toshiba will consider remedying this by closing its accounts at the earliest possible date to prepare temporary financial statements (non-consolidated) to incorporate the profit from the sale of Toshiba Memory transaction into the non-consolidated distributable amount, as announced on June 1, 2018 in "Notice Regarding Closing of the Sale of Toshiba Memory Corporation and Change to a Specified Subsidiary Company."

Toshiba will also consider the mechanics and other details of the share buyback, so to be able to execute it at the earliest possible date, including use of the Off-Auction Own Shares Repurchase Trading System (ToSTNeT-3). In making its decisions, Toshiba will take into account legal and other restrictions, the impact on supply and demand of Toshiba's shares in the market, future economic and business environments, and the details of the "Toshiba Next Plan."

To avoid an inappropriate temporary impact on the supply and demand on its shares while executing the buyback, Toshiba believes that a situation may arise where the buyback cannot be completed within a single fiscal year, considering current transaction volumes for its shares and other factors.

Toshiba also respects the views of shareholders, particularly overseas investors who believe that Toshiba's enterprise and shareholder value are undervalued, and that appropriate management and capital policies will allow the company to maximize them as it promotes business regeneration. Toshiba will continue constructive communications with shareholders as it works to secure sustainable growth for the Group, and to enhance enterprise and shareholder value in the mid- to long-term. Toshiba's main concern is to deliver benefits to all stakeholders, starting with shareholders and investors."

Toshiba will promptly announce any matters that require further disclosure.