

July 18, 2018

Toshiba Corporation

FOR IMMEDIATE RELEASE

Notice on Toshiba's Issuance of New Shares as Restricted Stock Compensation

TOKYO—Toshiba Corporation (Tokyo: 6502) hereby announces that its board of directors has today resolved to issue new shares as restricted stock compensation (hereinafter “Issuance of New Shares”), as described below.

1. Outline of Issuance

(1) Payment date	August 3, 2018
(2) Class and number of shares to be issued	250,310 shares of Toshiba's common stock
(3) Issue price	349 yen per share
(4) Aggregate issue price	87,358,190 yen
(5) Beneficiaries	Toshiba's 12 executive officers: 183,310 shares in total Eight directors of Toshiba's key group companies: 67,000 shares in total
(6) Others	Toshiba has filed a securities notice with respect to the Issuance of New Shares in accordance with the Financial Instruments and Exchange Act.

2. Purpose of and Reasons for Issuance

Toshiba announced on May 15, 2018 that the compensation system (hereinafter “Compensation System”) would be implemented as a stock compensation system that allots restricted shares to Toshiba's executive officers and to directors of Toshiba's key group companies (hereinafter, collectively, “Officers”), with the aim of encouraging the Officers to share the same values as the shareholders, to provide them with an incentive to drive forward medium- to long-term business growth.

The Compensation System allows the Officers to receive monetary compensation receivables that they can use to acquire shares of Toshiba's common stock to be allotted to them as restricted shares. When restricted shares are allotted to the Officers, they will enter into allotment agreements for restricted shares with Toshiba that prohibit them from transferring, offering as collateral, or making any other disposition of the allotted restricted shares for a specified period.

3. Details of the Issuance

Toshiba and the relevant group companies participating in the Compensation System have decided to grant monetary compensation receivables to Toshiba's 12 executive officers and to eight directors of Toshiba's key group companies. After considering the beneficiaries' compensation and its components, Toshiba and the relevant group companies decided to grant the monetary compensation receivables with a value of 87,358,190 yen in total, as assets to be used for the purchase of shares of common stock (hereinafter, "Shares") subject to the transfer restrictions provided for in the agreements between Toshiba and the Officers.

The total number of the Shares issued by Toshiba to the Officers in the Issuance of New Shares is 250,310 shares, and the amount to be paid in for each Share is 349 yen, the closing price of shares of Toshiba's common stock on the Tokyo Stock Exchange on July 17, 2018, the business day immediately preceding the date of the resolution of Toshiba's board of directors.

4. Overview of Allotment Agreements for Restricted Shares

(1) Transfer Restriction Period

During the period from August 3, 2018 to August 2, 2048

(2) Conditions for Lifting the Transfer Restriction

As of the expiration of the transfer restriction period, transfer restrictions on all of the Shares held by the Officers at that time shall be lifted.

However, if an Officer retires from his or her position(s), as applicable, as a director or an executive officer of Toshiba, or Toshiba Energy Systems & Solutions Corporation, Toshiba Infrastructure Systems & Solutions Corporation, Toshiba Electronic Devices & Storage Corporation or Toshiba Digital Solutions Corporation (hereinafter, collectively "Toshiba Group") during the transfer restriction period, due to expiration of his or her term of office, his or her legal age, his or her death or any other justifiable reason that is approved by Toshiba, the transfer restriction shall be lifted with respect to a certain number of the Shares. In such case, the number of such Shares shall be the number calculated by multiplying (x) a number obtained by dividing the number of months in the period from July 2018 to the month that includes the date of such retirement by 12 (if the result of calculation is more than 1, such number shall be deemed 1) by (y) the number of the Shares to be allotted to the relevant Officers. In such cases, Toshiba may make reasonable adjustment to the date of the lifting of the transfer restriction as appropriate. Furthermore, the Shares on which the transfer restriction will not be lifted in the above case shall be acquired by Toshiba automatically, without any consideration.

(3) Acquisition by Toshiba without Consideration

If certain events including the relevant Officer's retirement from his or her position(s), as applicable, as a director or an executive officer of the Toshiba Group during the transfer restriction period (except in cases where such Officer assumes the office of, or is reappointed, a director or an executive officer of the Toshiba Group) occur, Toshiba shall acquire all of the Shares, except for the Shares subject to the lifting of the transfer restriction due to retirement set out in "4. (2) Conditions for Lifting the Transfer Restriction" above, without any consideration.

(4) Treatment in Case of Organizational Restructuring of Toshiba

If a matter relating to a merger agreement under which Toshiba shall become a dissolving company, a share exchange agreement or a share transfer plan under which Toshiba shall become a wholly-owned subsidiary, or any other organizational restructuring, is approved at a general meeting of shareholders of Toshiba (or, if an approval at a general meeting of shareholders of Toshiba is not required, then the approval by Toshiba's board of directors) during the transfer restriction period, pursuant to the resolution of Toshiba's compensation committee, the transfer restriction shall be lifted at the time immediately prior to the business day immediately preceding the effective date of such organizational restructuring, with respect to a certain number of the Shares. In such case, the number of such Shares shall be the number calculated by multiplying (x) a number obtained by dividing the number of months in the period from July 2018 to the month that includes the approval date of such organizational restructuring by 12 (if the result of calculation is more than 1, such number shall be deemed 1) by (y) the number of the Shares held by the relevant Officers as of the approval date of such organizational restructuring. Furthermore, the Shares on which the transfer restriction will not be lifted in the above case shall be acquired by Toshiba automatically without any consideration.

(5) Provision concerning Management of Shares

In order to prevent the Shares from being transferred, having any security interest created thereon or otherwise being disposed of during the transfer restriction period, the Shares shall be maintained in dedicated accounts established by the Officers at Nomura Securities Co., Ltd. In order to ensure the effectiveness of the transfer restriction and other agreements in respect of the Shares, Toshiba shall execute an agreement with Nomura Securities Co., Ltd. with respect to the management of the accounts of the Shares held by the respective Officers. Further, the Officers will agree to the treatment of the Shares pursuant to such agreement with respect to management of the accounts.

5. Basis of Calculation of Amount to be Paid in and Details thereof

In order to eliminate any arbitrariness in the determination of the issue price, Toshiba has determined that the issue price for the Share is 349 yen, which is the closing price of shares of Toshiba's common stock on the Tokyo Stock Exchange on July 17, 2018 (the business day immediately preceding the date of the resolution of the board of directors of Toshiba). Toshiba believes that the issue price, which is equal to the market price immediately prior to the date of the resolution of the board of directors, is reasonable, and is not considered as being a specially favorable price.

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