

FOR IMMEDIATE RELEASE

**Notice Regarding Revision of Toshiba Corporation's  
Business Results Forecast for FY2018**

TOKYO—Toshiba Corporation (TOKYO: 6502) hereby announces that its Board of Directors, meeting today, approved the following revision to its consolidated business results forecast for FY2018, ending March 31, 2019. This revised forecast replace the forecast announced on November 8, 2018.

1. Details of the revised consolidated business results forecast for the twelve months of FY2018 (April 1, 2018–March 31, 2019)

(Yen in billions)

	(A) Previous Forecast	(B) Revised Forecast	(B) – (A)	(B)/(A)
Net sales	3,600.0	3,620.0	20.0	100.6%
Operating income (loss)	60.0	20.0	-40.0	33.3%
Income (loss) from continuing operations, before income taxes and noncontrolling interests	-40.0	-110.0	-70.0	-
Net income (loss) attributable to shareholders of the Company	920.0	870.0	-50.0	94.6%
Basic earnings (losses) per share attributable to shareholders of the Company	1,411.79yen	1,404.31 yen	-	-

\*"The Company" refers to Toshiba Corporation.

\* Toshiba consolidated its shares at a 1 for 10 rate on October 1, 2018. "Basic earnings per share attributable to shareholders of the Company" takes this change into account.

\*The revised forecast for "Basic earnings per share attributable to shareholders of the Company" is calculated with consideration for the acquisition of the Company's own shares up to the end of January 2019.

2. Reasons for revision

Revision in operating income reflects an impairment loss and a provision made for NuFlare Technology, Inc., a consolidated subsidiary (hereinafter "NFT"). Following a fall in the price of NFT's stock, part of a steep decline in stock prices across the market, Toshiba responded by carrying out impairment assessment, as required by the accounting standards, which specify that the stock price trend is a factor to consider in respect of goodwill impairment. This assessment found evidence of impairment, which was confirmed by

further impairment tests. Accordingly, Toshiba has recognized an impairment to NFT's goodwill in the amount of 9.8 billion yen in its third quarter results. After this process, the balance of goodwill in NFT at the end of December 2018 stood at 8.0 billion yen. NFT's FY2018 forecast remains unchanged from the initial May 11, 2018 announcement, and the company is now performing well. Notwithstanding this, if the market environment continues to deteriorate, or if its stock price declines further, impairment assessment will be carried out again, as required by the accounting standards. Given that Toshiba can foresee the possibility of additional impairment, the company's forecast for the fourth quarter makes provision for impairment risk to NFT's 8.0 billion yen balance of goodwill. As a result, Toshiba has incorporated operating loss of approximately 18.0 billion yen in total into the FY2018 full year forecast for the Storage & Electronic Devices Solutions segment.

In addition, Toshiba has recorded additional operating loss of approximately 17.0 billion yen into the FY2018 full year forecast for the Energy Systems & Solutions segment, resulting mainly from additional provision made for projects including large-scale Transmission & Distribution project in Japan.

Mainly due to these factors, the forecast for full year operating income had been revised down by 40.0 billion yen from the previous FY2018 forecast.

The forecast for income from continuing operations, before income taxes and noncontrolling interests has been revised down by 70.0 billion yen. In addition to the above impacts to operating income, this revision is due to the deterioration of equity earnings from Toshiba Memory Corporation associated with the impact of Purchase Price Allocation procedures on acquired assets and underwritten liabilities at the buyer of the memory business completed in the third quarter, and the latest business performance trends.

As a result of the foregoing, the forecast for basic earnings per share attributable to shareholders of the Company has been revised down by 50.0 billion yen from the previous FY2018 forecast.

**Disclaimer:**

This report contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on Toshiba's assumptions and beliefs in light of the data currently available to the Company. Actual results are subject to a number of risks and uncertainties and may differ significantly from Toshiba's assumptions. Major risk factors are as indicated below, though this list is not necessarily exhaustive.

- Major disasters, including earthquakes and typhoons;
- Lawsuits or other disputes in Japan or in other countries;
- Success or failure of businesses promoted by Toshiba Group in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political or economic conditions in Japan or abroad; or regulatory changes;
- Rapid changes in the supply and demand situation in major markets or intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market; Changes in financial markets, including fluctuations in interest rates and exchange rates.

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