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FOR IMMEDIATE RELEASE

Toshiba to Execute “Toshiba Revitalization Action Plan”

Toshiba Corporation (“the Company”) today announced that Toshiba Group will implement a series of management measures under a “Toshiba Revitalization Action Plan.” This plan has four strands: “Decisive Action on Business Structural Reform” “Strengthen Internal Controls and Reform the Corporate Culture;” “Review the Business Portfolio and Operational Structure;” and “Reforming the Financial Base”

In respect of “Decisive Action on Business Structural Reform,” the company has made the decisions detailed below. The Company has also defined policies in respect of “Strengthen Internal Controls and Reform the Corporate Culture,” “Review the Business Portfolio and Operational Structure” and “Reforming the Financial Base,” and the details of action plans in each area will be announced separately, as they are determined.

By implementing and resolutely executing this action plan, Toshiba hopes to regain the trust of shareholders, investors and all stakeholders, and to achieve a strong corporate constitution.

1. Decisive Action on Businesses Structural Reform

In addition in restructuring measures already announced for System LSIs and Discretes in the semiconductor business segment, the Company had decided to pursue structural reform of the PC, Visual Products, and Home Appliances businesses in the Lifestyle Products and Services business segment. The details follow.

Through these measures, the Lifestyle business segment will reduce its headcount by 6,800 employees, approximately 30 % of its global total, by March 31, 2016.

(1)Basic Policies

PC Business:

Further realize low cost business operation, and consider alliances with third party companies as future option.

Visual Products Business:

End all development, production and sales outside Japan and replacing with brand license business structure in overseas market. Concentrate on the Japanese market

Home Appliances Business:

Further improve operational efficiencies, and consider alliance with third party companies as future option.

(2)Action Items**PC Business:**

• Concentrate on BtoB

The PC business will concentrate on its BtoB business, where further global demand is expected, and build up its enterprise customer base as a means to generate healthier profit. BtoC operations will concentrate on the Japanese and the U.S. market where stable business can be expected.

• Reform of business structure

In order to transform to an operational structure that generate profits, with the downsized global sales of the scale of 3 million units a year, the number of indirect employees will be reduced, operating sites will be optimized, and business processes will be changed to reduce fixed costs. In addition, the PC business will end consignment of design and manufacturing to outside vendors, and cease buy and sell transactions. By concentrating on in-house design and manufacturing, product platforms will significantly be reduced to below one-third of the current number.

• Company Split

The Personal & Client Solutions Company will be split off from Toshiba Corporation and merged with Toshiba Information Equipments Co., Ltd., a BtoB PC sales company in Japan, to improve operational efficiency. This Company Split is planned for April 1, 2016

Visual Products Business:

• Withdrawal from operations outside Japan

The TV business has already shifted to a brand-licensing model in North America and Europe. Business in Asia (excluding China) will also shift to this model, and ownership of the Company's TV manufacturing plant in Indonesia is planned to be transferred to a third party company. Business in the Middle East and Africa will also shift to brand-licensing model through the sale of part of the shareholdings in two joint venture companies in Egypt that respectively manufacture and sell TVs. These companies will become non-consolidated companies of Toshiba.

• Reform of business structures in Japan

In Japan, the TV business will reduce fixed costs and strengthen profitability by enhancing development efficiency and reducing the number of indirect employees. It will also downsize TV sales to the scale of 600 thousand units a year, and concentrating on profitable high-end models.

Home Appliances Business:

• Reform of business structure

The Home Appliance Business will cut fixed costs by reducing the number of indirect employees globally, optimizing operating sites in Japan, and improving operational efficiency.

- Withdrawal from the sales and production of twin-tub washing machines

Manufacturing of twin-tub washing machines will end at the production facility located within the same site as TV manufacturing plant in Indonesia, which will be also transferred to a third party. As a result, Toshiba will end sales of twin-tub washing machines in Japan and other countries.

Sale of Ome Complex

In order to improve asset-use efficiency in the Lifestyle business segment, the Company plans to close and sell Ome Complex in Japan.

2. Strengthen Internal Controls and Reform the Corporate Culture

(1) Development of Improvement Action Plan

Towards ending its designation of its shares as securities on alert, Toshiba is currently implementing measures based on the Recurrence Prevention Plan announced on September 7. In this connection, the Company is strengthening supervision of top management and internal controls, holding awareness improvement seminars and meetings for executive managers and in workplaces. Progress to date in major items is detailed in (2) below. Additional measures that are under consideration will be announced promptly after they have been finalized.

(2) New Actions Taken to Prevent Recurrence and Reform the Corporate Culture

The following actions are being taken under the new management team appointed in October, as part of the measures to prevent recurrence of inappropriate accounting.

Recurrence Prevention

- Accounting and awareness improvement seminars
- Training in accounting compliance
- Review on accounting procedures in relation to percentage-of-completion, valuation of inventory and recording of operating expenses
- Review of the budget development process
- Review of corporate governance rules
- Reinforcement of the internal audit structure

Reform of Corporate Culture

- Evaluation system for the President & CEO
- 360 degree surveys of executive managers
- Executive management seminars
- Employee awareness surveys
- CSR workplace meetings
- Improvements in information disclosure

Examination of the Advisor system

Abolition of the posts of “Advisor to the Board” and “Advisor” as positions for retired executives is being considered.

3. Review the Business Portfolio and Operational Structure

Within the process of developing mid-term plans, starting from FY2016, the Company will discuss the following items and finalize the plan by the end of March 2016. The Company plans to announce its management policy at the same time as it completes the next mid-term plan.

(1) Business Portfolio

- The Company had redefined its focus business areas, and concluded that it will focus on the Energy and Storage businesses.
- The Healthcare business has achieved high profitability and a global presence in diagnostic imaging. However, securing further business growth requires the allocation of sufficient business resources for research & development and others. Given this, the Company has decided that, in order for the Healthcare business to realize its potential to the full, and to maximize its value to the full, the best solution is to invite outside majority shareholder(s) to make sufficient support for the Healthcare business. This will also, at the same time, strengthen Toshiba’s balance sheet. Toshiba Corporation and Toshiba Medical Systems Corporation will collaboratively give immediate priority to executing this plan.

(2) Establishment of a small but strong headquarters and review of the business operational structure

- The Company will slim down corporate staff functions, and concentrate the corporate staff’s mission on strategic planning for the future. In order to downsize the corporate staff, the Company will create a common platform for the Toshiba group, and enhance the organizational efficiency. At the same time, in support of the operational shift to independent autonomous management of the in-house companies, functions needed for business operations will be transferred to the in-house companies. Through these measures, the Company aims to establish a small but strong corporate function, and has also decided to implement a personnel rationalization program, including an early retirement incentive program targeting corporate staff members. With this program, and by reviewing activity expenses, the corporate headcount will decrease by about 1,000 and operating costs will be cut by approximately 20 billion yen by March 2016.
- The company will focus on cash flow in planning mid-term business plans, budgets, business performance management and business performance evaluation, and also strengthen management of interest-bearing liabilities by the in-house companies.

4. Reforming the Financial Base

Reflecting on the fact that it fell into an overriding concern for current profit, the Company will continue to promote business management emphasizing cash flow, and give first priority to restructuring for recovery from a weakened financial platform.

(1) Measures to secure financial platform

- The Company will set firm rules on limits to investments and make resource allocations based on the redefined business portfolio and in those business domains that will generate cash. Under this policy, the Company will focus its FY2016 investments on the Energy and Storage businesses, and limit investments in other areas to refurbishment.

The Company will also reinforce management of interest-bearing debt on a consolidated basis by the in-house companies so that the Company will be able to reduce interest-bearing debt.

(2) Sales of assets

- The Company will also thoroughly review the assets it holds, such as stocks and real estate, and their necessity, and consider selling them off, without any restrictions

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