

June 10, 2017
Toshiba Corporation

**Toshiba and Vogtle Owners Reach Agreement on
Nuclear Power Plant Construction Project in Georgia**

TOKYO—Toshiba Corporation (TOKYO: 6502) and the owners of a project (“Vogtle Owners”) in Georgia, U.S.A., for the construction of two nuclear power plants (Vogtle Units 3 and 4) with Westinghouse AP1000 reactors reached an agreement that sets the limit of Toshiba’s parent company guarantee obligation at US\$3.68 billion (“maximum limit”), and that specifies that payments are to be made in installments during the period from October 2017 to January 2021 (“the Agreement”). This Agreement was signed in the United States on June 9, 2017.

Since the financial impact of this Agreement has already been incorporated into the FY2016 financial outlook that Toshiba announced on May 15, 2017, “Notice on Outlook for FY2016 Business Results,” this agreement will have no additional impact on Toshiba’s financial results.

The parent company guarantee obligation was agreed by and between Toshiba and the Vogtle Owners in 2008, when Westinghouse received an order for the construction of two Westinghouse AP1000 reactors at Plant Vogtle. The Agreement announced today fixes the maximum amount that Toshiba is obliged to bear under the parent company guarantee and the payment schedule for that amount.

The Agreement specifies that the agreed maximum limit shall not be subject to any subsequent increase or to any further claims by Vogtle Owners against Toshiba, even in the event of future increases in construction costs, allowing Toshiba to cap its obligations under the parent company guarantee.

The maximum amount of US\$3.68 billion has already been incorporated into the FY2016 financial outlook Toshiba announced on May 15, 2017, as part of an approximately 980 billion yen* provision for parent company guarantees and a reserve for losses against loans. If actual construction costs are less than the specified maximum amount, Toshiba will have the right to receive part of the benefit of the difference, as Westinghouse’s creditor. The Vogtle Owners have also agreed to cooperate with Toshiba

in the Chapter 11 rehabilitation proceedings for Westinghouse and its group companies, and that proceeds collected through such proceedings will be allocated to Toshiba's parent company guarantee payment.

*Of the 980 billion yen, the allowance for the parent company guarantee is 670 billion yen, primarily for two projects to construct four nuclear reactors in the U.S.

Toshiba is still in negotiations with the owners of the VC Summer Plant in respect of its parent company guarantee obligations and the payment schedule for the construction of a further two Westinghouse AP1000 reactors in South Carolina (VC Summer Units 2 and 3). Toshiba aims to finalize the total maximum amount of the parent company guarantee for all four nuclear reactors under construction in the U.S., and will ensure prompt disclosure of information related to this matter as and when it becomes available.

###