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Toshiba Corporation

FOR IMMEDIATE RELEASE

Toshiba Comments on Benefits of Joint Stipulation with SanDisk

- *Toshiba and SanDisk/Western Digital have reached a mutually acceptable agreement that removes the need for further action by the court on SanDisk's request for a preliminary injunction.*
- *The parties have agreed that Toshiba will publicly announce, within 24 hours, the signing of any agreement that contemplates a "Closing." This will apply until 60 days after an arbitration panel is formed.*
- *Toshiba has also agreed to notify SanDisk two weeks before such a Closing occurs. This also applies until 60 days after an arbitration panel is formed.*
- *The agreement does not require Toshiba to recognize SanDisk's claims over its consent rights to the transfer of Toshiba's memory business.*
- *This joint stipulation follows the court's suggestion, during the previous hearing on July 14, that Toshiba and SanDisk negotiate an agreement rather than requiring the court to rule.*
- *Toshiba remains intent on soon entering into a definitive agreement for the sale of its memory business with one of the bidders.*

SAN FRANCISCO and TOKYO—Toshiba Corporation (TOKYO 6502) today entered into a joint stipulation with SanDisk LLC (SanDisk), a subsidiary of Western Digital Corporation (Western Digital) (NASDAQ: WDC), removing the need for further action by the Superior Court of California for the County of San Francisco on SanDisk's motion for preliminary injunctive relief relating to the sale of Toshiba's memory business.

Toshiba and SanDisk have agreed that Toshiba will publicly announce within 24 hours the signing of a definitive agreement that contemplates a later "Closing," i.e. the "transfer, sale, assignment or conveyance" of all or any portion of Toshiba's or an affiliate's shares and ownership interests in three specific joint venture companies and other defined contractual rights and obligations. This stipulation will remain in effect until 60 days after the international arbitration panel has been formed. Toshiba and SanDisk have also agreed that Toshiba will provide further notice two weeks before any such Closing occurs.

Importantly, this agreement does not obligate Toshiba to provide notice regarding transactions undertaken in the ordinary course of its NAND flash memory business, nor

does it constitute any agreement by Toshiba that SanDisk has any consent rights over any sale of the shares of Toshiba Memory Corporation.

The agreement also preserves Toshiba's jurisdictional objections and does not mean that Toshiba is submitting to the jurisdiction of the California court for any purpose other than entering and enforcing this limited joint stipulation.

Dr. Yasuo Naruke, Senior Executive Vice President of Toshiba Corporation stated, "We are very pleased to have reached this mutually acceptable understanding which is effective for a very limited time and which recognizes Toshiba's right to negotiate and sign a definitive agreement for the sale of its memory business. Nothing in the agreement requires Toshiba to alter its position that there is no contractual requirement to seek SanDisk's consent to the transfer of Toshiba's memory business.

"Further, as a practical matter, we don't expect to close a deal during the period addressed in the order. Closing a transaction of this magnitude would require many months – well beyond the limited timeframe specified in the ruling. Toshiba therefore remains focused on preparing for the ICC (Chamber of Commerce) arbitration process, which we believe is the appropriate venue to address these issues. We look forward to successfully presenting Toshiba's position to the tribunal, which we believe will be formed within the next month or so."

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