

September 13, 2017
Toshiba Corporation

FOR IMMEDIATE RELEASE

Update on the Sale of Toshiba Memory Corporation

--- MOU Signed with Bain Capital---

TOKYO—Toshiba Corporation (TOKYO 6502) (Toshiba) has entered into a memorandum of understanding (MOU) with Bain Capital Private Equity LP (Bain), the lead member of a consortium currently bidding to acquire Toshiba Memory Corporation (TMC), memorializing the parties' intent to negotiate a mutually satisfactory definitive agreement for the sale of TMC by the end of this month. The decision to enter into the MOU was made by Toshiba's Board of Directors at its meeting today.

As Toshiba stated in its August 31 announcement, "Update on the Sale of Toshiba Memory Corporation," Toshiba has been in continuing negotiations with three consortia of potential purchasers of TMC: a consortium that includes the Innovation Network Corporation of Japan, Bain and Development Bank of Japan; a consortium that includes Western Digital; and a consortium that includes Hon Hai. In the course of these negotiations Bain has come forward with a new proposal. Toshiba's Board of Directors has determined to continue negotiations with the Bain-led consortium on the basis of this new proposal, and the company will work to expedite the conclusion of a stock purchase agreement by the end of September. Toshiba hereby announces that it has accordingly entered into a non-binding MOU with Bain. The signing of this MOU does not eliminate the possibility of negotiations with other consortia.

"Toshiba intends to reach a definitive agreement that fully meets our objectives at the earliest possible date," said Dr. Yasuo Naruke, Senior Executive Vice President of Toshiba. "The sale of TMC must promote further growth of TMC's memory business, and return Toshiba group to positive equity.

Dr. Naruke further stated: "The memory business is highly time sensitive. It requires timely investments, accelerated product development, and the ability to quickly ramp-up large-scale production capacity. TMC is now proceeding with a unilateral investment in manufacturing equipment for the Fab 6 clean room at its Yokkaichi Operations, and we aim to increase the output of 3D Flash memory at Yokkaichi to approximately 90% of capacity in FY2018. Moving forward, we will continue to make timely investments to expand operations to meet growing market demand."

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