

FOR IMMEDIATE RELEASE

April 20, 2021
Toshiba Corporation

Notice Regarding Initial Acquisition Proposal by CVC

TOKYO – As previously announced, Toshiba Corporation (“Toshiba,” the “Company” or “we”) received a preliminary and non-legally binding proposal (the “Preliminary Proposal”) from CVC Asia Pacific Limited (“CVC”) to acquire and take the Company private. However, as the Preliminary Proposal was neither solicited nor initiated by Toshiba, and it was not, objectively viewed, a bona-fide concrete and feasible acquisition proposal (as referred to in the Fair M&A Guidelines published by the METI), we publicly announced that we would carefully review the proposal upon receipt of further information from CVC. In this regard, yesterday, we received a further letter from CVC. This letter contained no specific and detailed information capable of detailed evaluation: it merely stated that CVC would step aside to await our guidance as to whether a privatization of Toshiba would suit management’s and the Board of Directors’ strategic objectives. The nature of our business would demand that any consideration of such a proposal must include a thorough review of the acquirer’s capital structure and the specific management policies post-acquisition, as well as the assurance of compliance with national security laws, foreign investment regulations and competition laws. As this Preliminary Proposal lacks the required information the Board has concluded it is not possible to evaluate it.

While CVC contends that our shareholder structure has adversely affected our corporate value, the Board does not believe this to be the case. We are proud of the hard work which enabled the Company to return to TSE 1 and NSE 1, after three and a half years. We currently believe that being a publicly traded company provides a stable equity structure suitable for enhancing long term value creation, and by taking advantage of the listed status it will lead to corporate value enhancement. However, the Board will not disregard various proposals, including those to take the Company private, as alternative options to enhance Toshiba’s corporate value. While the Board recognizes that there are various hurdles to take the Company private, we will seriously consider and evaluate any credible offers, objectively viewed, a bona-fide and concrete offer of acquisition. We believe that the process and content of such a proposal must satisfy our many stakeholders, including shareholders.

In addition, we sincerely regret the fact that, although the Preliminary Proposal was neither initiated, solicited nor publicly disclosed by the Company, the press came to know the facts

of the Preliminary Proposal at almost the same timing as receipt of the proposal by Company. This unfortunately resulted in a concern among our business partners, employees and other stakeholders, as well as unwelcome volatility in the Company's stock price.

We recognize that it is the utmost responsibility for the Board of Directors to act in the best interests of the Company and our shareholders. Following the appointment of the President and CEO, the Company is now commencing a fresh review of measures to increase corporate value including capital allocation. At the same time, in order to increase the transparency of decision making the Board will independently appoint financial and legal advisors, and strategically consider ways to increase our corporate value from an independent standpoint.

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