FOR IMMEDIATE RELEASE

May 23, 2016

Toshiba Corporation

**(Correction of Financial Data) Toshiba's Consolidated Results for Fiscal Year 2015, to March 31, 2016 (US GAAP)**

TOKYO—Toshiba Corporation (TOKYO: 6502) hereby gives notice of corrections to its consolidated results for fiscal year (FY) 2015 ended March 31, 2015, including financial data, announced at 14:10 on May 12, 2016.

Toshiba announced its business results on May 12, giving great weight to the timeliness of the announcement, even though the audit by Ernst & Young ShinNihon LLC, Toshiba's auditor, was incomplete at that point, and despite the fact that Toshiba had not yet received the auditor's reports for the financial statements and supplementary schedules thereof or the consolidated financial statements. Toshiba believed that the possible need for any important corrections was low, and greatly regrets that it must now make corrections for the reasons stated below. Toshiba expresses sincere apologies to its shareholders, investors and all other stakeholders for any concerns or inconvenience caused by this correction.

1. Reason for corrections

   The major reasons for corrections of business results are as follows. Please refer to "Correction of FY2015 Consolidated Business Results," announced today for details.

   1) Partial change in calculation method of the amount of Nuclear Power Systems business goodwill impairment.

      In respect of method for calculating goodwill impairment in the Nuclear Power Systems business (whether to consider the minority discount for noncontrolling interest when evaluating fair value[*1]), Toshiba had continuous exchanges with Ernst & Young ShinNihon, and recognized that there was a difference of opinion. However, Toshiba believed that its opinion (consider the minority discount) was reasonable, and announced its business results on May 12. After that date, following further discussion with Ernst & Young ShinNihon, Toshiba reconsidered the calculation method, and accepted that the opinion by Ernst & Young ShinNihon (do not consider the minority discount) was also reasonable, and subsequently corrected the amount of goodwill impairment from the already announced 263.5 billion yen[*2] to247.6 billion yen. As a result, income (loss) from continuing operations, before income taxes and noncontrolling interests has improved by 15.9 billion yen.

      *1: When calculating fair value, there are cases where the value per unit share differs for the equity of controlling shareholders and equity of minority shareholders' interest.

      *2: Toshiba announced an impairment loss as 260 billion yen on May 12 by rounding off 263.5 billion yen to the nearest million.

2) Reflecting business results of Toshiba TEC Corporation and corrections of other errors.

   Toshiba has reflected business results of Toshiba TEC Corporation and corrected other errors. As a result, income (loss) from continuing operations, before income taxes and noncontrolling interests has deteriorated by 6.7 billion yen. By combining the foregoing correction in impairment of goodwill for Nuclear Power Systems business, income (loss) from continuing operations, before income taxes and noncontrolling interests has improved by 9.2 billion yen.

3) Corrections of errors in tax calculation

   Errors occurred in the accounting procedure related to tax calculation, as there were multiple overlaps in such issues as reversal of deferred tax assets during the term and compliance with FY2016 tax reform, etc. As a result of making corrections, income taxes have increased by 8.7 billion yen due to a change in the categorization of data entry for tax expenses and comprehensive loss (comprehensive loss has decreased by same amount). Income taxes have also increased by 3.2 billion yen as a result of correction in deferred tax assets and liabilities related to the decision made to sell the Home Appliances business. In total, income taxes have increased by 15.2 billion yen.

4) Corrections of errors related to reclassification of discontinued operations

   Errors occurred due to the complex accounting procedure for tax expenses related to reclassification of the Healthcare Systems & Services and Home Appliances businesses as discontinued operations. As a result, net income (loss) for discontinued operations has deteriorated by 2.4 billion yen.

Corrections of financial data for Toshiba’s consolidated results for FY2015 ended March 31, 2016 (US GAAP), are underlined.

# # #

FOR IMMEDIATE RELEASE

May 12, 2016
Toshiba Corporation

**Toshiba Announces Consolidated Results for Fiscal Year 2015, to March 31, 2016**

TOKYO--Toshiba Corporation (TOKYO: 6502) today announced its consolidated results for fiscal year (FY) 2015, to March 31, 2016.

## 1. Consolidated Results and Financial Position and Cash Flows for Fiscal Year 2015

### (1) Overview of Consolidated Results of FY2015

All comparisons with FY2015 are with FY2014, unless otherwise stated. All dollar amounts are in US dollars.

**Consolidated Results for FY2015**

(Unit: billion yen)

| | FY2015 | Change from FY2014 |
|---|---|---|
| Net sales | 5,668.7 | -446.0 |
| Operating income (loss) | -708.7 | -897.1 |
| Income (loss) from continuing operations, before income taxes and noncontrolling interests | -633.1 | -789.7 |
| Net income (loss) attributable to shareholders of the Company [1] | -460.0 | -422.2 |

[1] "The Company" refers to Toshiba Corporation.

During FY2015, the US economy generally saw solid growth. With monetary easing, the Eurozone economy saw moderate growth, particularly Germany. The Indian economy saw continued high growth. On the other hand, the Chinese economy slowed, reflecting adjustments in production and investments in sectors with overcapacity, including steel, coal and the real estate market. International financial markets fell into turmoil last summer and at the beginning of 2016, reflecting sharp falls in stock prices and the Chinese yuan.

In Japan, as employment prospects and personal income continued to improve, consumer spending patterns generally remained firm, and capital investment trended toward recovery. Exports varied by sector, showing either a slowdown or remaining at the same level, due to slowdowns in overseas markets and other factors.

In the current fiscal year, the overall global economy is expected to see moderate growth. The Chinese economy is expected to continue to slow down, but the US economy is expected to see continued solid growth. The forecast for the Japanese economy is for relatively weak growth toward a gradual recovery.

Toshiba Group, in order to achieve a strong corporate constitution, has implemented decisive measures for structural reforms of unprofitable businesses, including the PC, Visual Products, Home Appliances, Discrete Semiconductor and System LSI businesses. Toshiba Group has also redefined its focus business areas as the Energy business and the Storage business, centered on Memories and SSD. In the Healthcare business, Toshiba sold Toshiba Medical Systems Corporation in order for the company to maximize its value and realize its full potential, and also to improve Toshiba's financial position. In addition to this, Toshiba also signed a definitive agreement to transfer certain shares of Toshiba Lifestyle Products & Services Corporation. As a result, financial results related to the Healthcare Systems & Services segment and Home Appliances business are classified as discontinued operations in the Company’s consolidated statements of operations.

Toshiba Group’s net sales decreased by 446.0 billion yen to 5,668.7 billion yen (US$50,165.4 million). While the Energy & Infrastructure and Community Solutions segments recorded higher sales, the Lifestyle Products & Services segment saw significantly lower sales, due to structural reforms that redefined sales territories and other factors. The Electronic Devices & Components segment also recorded lower sales on lower sales prices.

The Group recorded a consolidated operating loss of 708.7 billion yen (-US$6,272.0 million), a decline of 897.1 billion yen, reflecting significant operating income deterioration in three business segments: Energy & Infrastructure recorded impairment losses in the Nuclear Power Systems and Transmission & Distribution businesses; Community Solutions recorded impairment losses in the Retail Information Systems and Office Equipment and the Lighting businesses; and Electronic Devices & Components had to absorb lower sales prices and the cost of structural reforms. Income (loss) from continuing operations, before income taxes and noncontrolling interests decreased by 789.7 billion yen to -633.1 billion yen (-US$5,603.1 million).

Net income (loss) attributable to shareholders of the Company decreased by 422.2 billion yen, after calculating a reversal of deferred tax assets and recording of gain from sales of Toshiba Medical Systems Corporation, and was minus 460.0 billion yen (-US$4,070.9 million).

**Consolidated Results for FY2015, by Segment**

(Unit: billion yen)

| | Net Sales | | | Operating Income (Loss) | |
|---|---|---|---|---|---|
| | | Change* | | | Change * |
| Energy & Infrastructure | 2,048.4 | +54.5 | +3% | -367.5 | -386.7 |
| Community Solutions | 1,425.2 | +14.5 | +1% | -78.8 | -132.7 |
| Electronic Devices & Components | 1,605.0 | -163.8 | -9% | -101.6 | -318.2 |
| Lifestyle Products & Services | 610.3 | -380.9 | -38% | -131.9 | -66.0 |
| Others | 494.6 | -48.6 | -9% | 8.6 | +2.7 |
| Corporate and Eliminations | -514.8 | +78.3 | - | -37.5 | +3.8 |
| Total | 5,668.7 | -446.0 | -7% | -708.7 | -897.1 |

(* Change from the year-earlier period)

**Energy & Infrastructure:** Higher Sales and Deteriorated Operating Income (Loss)
Net sales in the Energy & Infrastructure segment increased by 54.5 billion yen to 2,048.4 billion yen (US$18,127.5 million). While the Nuclear Power Systems business, Landis+Gyr AG and others recorded higher sales, the Transmission & Distribution System, Solar Photovoltaic Systems and Railway Systems businesses saw lower sales.

Segment operating income deteriorated by 386.7 billion yen to -367.5 billion yen (-US$3,251.4 million). The Nuclear Power Systems, Transmission & Distribution System and Solar Photovoltaic Systems businesses recorded significantly deteriorated operating income, reflecting the impacts of impairments in goodwill and intangible fixed assets. The Thermal & Hydro Power Systems and Railway Systems businesses also saw deteriorated operating income, reflecting impacts from recording provisions for unprofitable projects and other factors.

**Community Solutions:** Higher Sales and Deteriorated Operating Income (Loss)
Net sales in the Community Solutions segment increased by 14.5 billion yen to 1,425.2 billion yen (US$12,612.8 million). While the Lighting business saw lower sales, the Community Infrastructure, Building & Facility Solutions, Elevator and Building Systems and Commercial Air-Conditioners businesses recorded higher sales.

Segment operating income decreased by 132.7 billion yen to -78.8 billion yen (-US$697.5 million). Although the Community Infrastructure, Building & Facility Solutions and Commercial Air-Conditioners businesses all recorded higher operating income, Elevator and Building Systems saw operating income decrease, and the Retail Information Systems and Office Equipment and Lighting businesses saw a significant deterioration in operating income due to impairments in goodwill and intangible fixed assets.

**Electronic Devices & Components:** Lower Sales and Deteriorated Operating Income (Loss)
Net sales in the Electronic Devices & Components segment decreased by 163.8 billion yen to 1,605.0 billion yen (US$14,203.2 million). In the Semiconductor business, Discretes, System LSIs and Memories recorded lower sales. The Storage Products business recorded significantly lower sales.

Segment operating income decreased by 318.2 billion yen to -101.6 billion yen (-US$899.5 million). In the Semiconductor business, Memories recorded lower operating income on lower sales price and other factors, and Discretes and System LSIs recorded significantly deteriorated operating income due to the effects of structural reform, impairment of fixed assets and other factors. The Storage Products business also recorded significantly deteriorated operating income, also due to the effects of structural reform, impairment of fixed assets and other factors.

**Lifestyle Products & Services:** Lower Sales and Deteriorated Operating Loss
Net sales in the Lifestyle Products & Services segment decreased by 380.9 billion yen to 610.3 billion yen (US$5,400.6 million), reflecting lower sales in the Visual Products and the PC businesses due to a shift in focus to redefined sales territories and other factors.

Segment operating loss increased by 66.0 billion yen to -131.9 billion yen (-US$1,167.3 million), reflecting deteriorated operating income in the Visual Products and PC businesses.

**Others:** Lower Sales and Higher Operating Income
The Others segment recorded operating income of 8.6 billion yen (US$76.1 million) on sales of 494.6 billion yen (US$4,377.4 million).

In FY2015, Toshiba Group has recorded significant operating and net losses, reflecting the impacts of recording impairments in goodwill and fixed assets, provisions for unprofitable projects and restructuring charges. As a result, the Group's consolidated net assets have significantly decreased. In these circumstances, Toshiba Group is seeking to end or mitigate against its current circumstances by implementing the Toshiba Rebuilding Initiative. Specifically, Toshiba Group will:

1) Pursue structural reform to eliminate loss-making businesses; and
2) Focus on the Energy, Infrastructure, and Storage, centered on Memories and SSDs, in accordance with which it sold Healthcare business to secure sufficient business resources for further business growth.

Toshiba Group's first priority is to restructure for recovery from a weakened financial base, and its main banks continue to support Toshiba Group.

**Notes:**
Toshiba Group's Consolidated Financial Statements are based on US generally accepted accounting principles ("GAAP").

Operating income (loss) is derived by deducting the cost of sales and selling, general and administrative expenses from net sales. This result is regularly reviewed to support decision-making in allocations of resources and to assess performance. Certain operating expenses such as restructuring charges, litigation settlement and other costs are not included in it.

The Healthcare Systems & Services segment and Home Appliances business are classified as discontinued operations in accordance with ASC 205-20 "Presentation of Financial Statements – Discontinued Operations". The results of these businesses have been excluded from net sales, operating income (loss), and income (loss) from continuing operations, before income taxes and noncontrolling interests. Net income of Toshiba Group is calculated by reflecting results of these businesses to income (loss) from continuing operations, before income taxes and noncontrolling interests. In addition, these businesses are also classified as discontinued operations for the Group's consolidated balance sheets and are indicated separately. Results of the past fiscal year have been revised to reflect these changes.

Qualitative data herein are compared with the same period of the previous year, unless otherwise noted.

**<u>FY2016 Consolidated Forecast</u>**

The consolidated forecast for FY2016 is shown below.

**Consolidated forecast** (Unit: billion yen)

| | FY2016 Forecast |
|---|---|
| Net sales | 5,100.0 |
| Operating income (loss) | 120.0 |
| Income (Loss) from continuing operations, before income taxes and noncontrolling interests | 85.0 |
| Net income (loss) attributable to shareholders of the Company[1] | 100.0 |

[1] "The Company" refers to Toshiba Corporation.

**Financial Position and Cash Flows for FY2015**

Total assets decreased by 901.5 billion yen from the end of March 2015 to 5,433.3 billion yen (US$48,082.7 million).

Shareholders' equity, or equity attributable to the shareholders of the Company, was 328.9 billion yen (US$2,910.4 million), a decrease of 755.1 billion yen from the end of March 2015. This reflects a significant decrease in the retained earnings due to impacts from recording of restructuring charges and other factors.

Total interest-bearing debt increased by 139.9 billion yen from the end of March 2015 to 1,450.9 billion yen (US$12,839.9 million).

As a result of the foregoing, the shareholders' equity ratio at the end of March 2016 was 6.1%, an 11.0-point decrease from the end of March 2015, and the net debt-to-equity ratio was 146%, a 43-point increase from the end of March 2015.

Free cash flow increased by 511.9 billion yen to 652.2 billion yen (US$5,771.8 million).

**Trend in main indices**

| | Mar. End 2013 | Mar. End 2014 | Mar. End 2015 | Mar. End 2016 |
|---|---|---|---|---|
| Shareholders' equity ratio (%) | 13.7 | 16.6 | 17.1 | 6.1 |
| Equity ratio based on market value (%) | 33.2 | 30.0 | 33.7 | 17.1 |
| Cash flow to interest-bearing debt ratio | 10.2 | 5.0 | 4.1 | — |
| Interest coverage ratio (multiples) | 4.0 | 8.4 | 11.7 | — |

**Notes:**

Shareholders' equity ratio: Shareholders' equity divided by total assets

Equity ratio based on market value: Market capitalization divided by total assets

Market capitalization is calculated by multiplying the closing stock price at the end of the relevant period by the number of shares issued, excluding shares owned by the Company.

Cash flow to interest-bearing debt ratio: Debt (average of the beginning and end of the term) divided by net cash provided by operating activities

Interest coverage ratio: Cash flow from operating activities divided by interest payments

**Basic Dividend Policy, Dividend for FY 2015 and Outlook for FY 2016**

Toshiba, while giving full consideration to such factors as the strategic investments necessary to secure medium- to long-term growth, seeks to achieve continuous increases in its actual dividend payments, in line with a payout ratio in the region of 30 percent, on a consolidated basis.

In light of the Group's current management environment, financial position and other factors, Toshiba has decided, with regret, not to pay interim or full-year dividends for FY2015.

The Company will announce the dividend for FY2016 as soon as it is determined.

## 2. Business Group Status

As of the end of March 2016, Toshiba Group comprised 550 consolidated subsidiaries and its principal operations were in the Energy & Infrastructure, Community Solutions, Electronic Devices & Components and Lifestyle Products & Services business domains. Of the consolidated subsidiaries, 223 were involved in Energy & Infrastructure, 157 in Community Solutions, 44 in Electronic Devices & Components, 44 in Lifestyle Products & Services and 82 in Others. The number of consolidated subsidiaries was 34 less than at the end of March 2015. 140 affiliates were accounted for by the equity method as of the end of March 2016.

Major changes from the most recent financial report (dated September 7, 2015) are as below:

- In April 2015, Toshiba's then consolidated subsidiary, Toshiba Digital Media Network Taiwan Corporation was absorbed by another Toshiba subsidiary, Toshiba Electronics Taiwan Corporation.
- In September 2015, Toshiba sold shares of Topcon Corporation, and Topcon has been excluded from Toshiba's affiliate companies accounted for by the equity method.
- In September 2015, Toshiba has sold most of its shares of NREG Toshiba Building Co., Ltd., and NREG Toshiba Building has been excluded from Toshiba's affiliate company accounted for by the equity method.
- In December 2015, US-based Westinghouse Electric Company LLC., a Toshiba Group company, acquired all shares of US-based CB&I Stone & Webster Inc., CB&I's nuclear construction and integrated services businesses, and made it a consolidated subsidiary.
- In March 2016, Toshiba decided to sell Toshiba Medical Systems Corporation (TMSC) and determinately transferred all shares of TMSC. As a result, TMSC, Toshiba Medical Systems Europe B.V. and Toshiba America Medical Systems, Inc. have been excluded from Toshiba's consolidated subsidiaries.

## 3. Basic Policy for the Selection of an Accounting Standard

Toshiba Group began preparing consolidated financial statements based on US GAAP before the consolidated financial statement system was introduced into Japan, and has continued to use US GAAP for its financial statements. Toshiba Group plans to voluntarily implement International Financial Reporting Standards (IFRS) for the purpose of strengthening financial governance, however, the timing of the implementation is under consideration.

**Disclaimer:**

This report of business results contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on management's assumptions and beliefs in light of the economic, financial and other data currently available. Since Toshiba Group is promoting business under various market environments in many countries and regions, they are subject to a number of their risks and uncertainties. Toshiba therefore wishes to caution readers that actual results might differ materially from our expectations. Major risk factors that may have a material influence on results are indicated below, though this list is not necessarily exhaustive.

- Major disasters, including earthquakes and typhoons;
- Disputes, including lawsuits, in Japan and other countries;
- Success or failure of alliances or joint ventures promoted in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political and economic conditions in Japan and abroad; unexpected regulatory changes;
- Rapid changes in the supply and demand situation in major markets and intensified price competition;
- Significant capital expenditure for production facilities and rapid changes in the market;
- Changes in financial markets, including fluctuations in interest rates and exchange rates.

Note**:**

For convenience only, all dollar figures used in reporting fiscal year 2015 results are valued at 113 yen to the dollar.

# # #

Toshiba Group

# Consolidated Financial Statements

For Fiscal Year 2015 (April 1, 2015 to March 31, 2016)

## Outline

(¥ in billions, US$ in millions, except for earnings per share)

| | Years ended March 31 | | | | |
|---|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| Net sales | **¥5,668.7** | ¥6,114.7 | ¥(446.0) | 93% | **$50,165.4** |
| Operating income (loss) | **(708.7)** | 188.4 | (897.1) | ― | **(6,272.0)** |
| Income (Loss) from continuing operations, before income taxes and noncontrolling interests | **(633.1)** | 156.6 | (789.7) | ― | **(5,603.1)** |
| Net loss attributable to shareholders of the Company | **(460.0)** | (37.8) | (422.2) | ― | **(4,070.9)** |
| Basic losses per share attributable to shareholders of the Company | **¥(108.64)** | ¥(8.93) | ¥(99.71) | | **$(0.96)** |

Notes:
1) Consolidated Financial Statements are based on generally accepted accounting principles in the U.S.
2) The Company has 550 consolidated subsidiaries.
3) The U.S. dollar is valued at ￥113 throughout this statement for convenience only.

# Comparative Consolidated Balance Sheets

(¥ in millions, US$ in thousands)

| | Years ended March 31 | | | |
|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | **2016** |
| **Assets** | | | | |
| Current assets | **¥3,458,585** | ¥3,338,406 | ¥120,179 | **$30,606,947** |
| Cash and cash equivalents | **969,715** | 190,182 | 779,533 | **8,581,549** |
| Notes and accounts receivable, trade | **1,156,559** | 1,334,234 | (177,675) | **10,235,035** |
| Inventories | **729,123** | 911,009 | (181,886) | **6,452,416** |
| Prepaid expenses and other current assets | **534,818** | 703,366 | (168,548) | **4,732,903** |
| Assets of discontinued operations - current | **68,370** | 199,615 | (131,245) | **605,044** |
| Long-term receivables | **10,039** | 9,851 | 188 | **88,841** |
| Investments | **353,507** | 621,592 | (268,085) | **3,128,381** |
| Property, plant and equipment | **794,304** | 853,542 | (59,238) | **7,029,239** |
| Other assets | **816,906** | 1,396,570 | (579,664) | **7,229,256** |
| Assets of discontinued operations - non current | **-** | 114,817 | (114,817) | **-** |
| Total assets | **¥5,433,341** | ¥6,334,778 | ¥(901,437) | **$48,082,664** |
| **Liabilities and equity** | | | | |
| Current liabilities | **¥3,072,009** | ¥2,910,868 | ¥161,141 | **$27,185,920** |
| Short-term borrowings and current portion of long-term debt | **619,612** | 267,975 | 351,637 | **5,483,292** |
| Notes and accounts payable, trade | **877,061** | 1,161,946 | (284,885) | **7,761,602** |
| Other current liabilities | **1,480,030** | 1,315,299 | 164,731 | **13,097,610** |
| Liabilities of discontinued operations - current | **95,306** | 165,648 | (70,342) | **843,416** |
| Accrued pension and severance costs | **629,402** | 515,446 | 113,956 | **5,569,929** |
| Long-term debt and other liabilities | **1,059,672** | 1,251,141 | (191,469) | **9,377,629** |
| Liabilities of discontinued operations - non current | **-** | 91,966 | (91,966) | **-** |
| Equity | **672,258** | 1,565,357 | (893,099) | **5,949,186** |
| Equity attributable to shareholders of the Company | **328,874** | 1,083,996 | (755,122) | **2,910,389** |
| Common stock | **439,901** | 439,901 | 0 | **3,892,929** |
| Additional paid-in capital | **399,470** | 402,008 | (2,538) | **3,535,133** |
| Retained earnings | **(76,782)** | 383,231 | (460,013) | **(679,487)** |
| Accumulated other comprehensive loss | **(431,828)** | (139,323) | (292,505) | **(3,821,487)** |
| Treasury stock | **(1,887)** | (1,821) | (66) | **(16,699)** |
| Equity attributable to noncontrolling interests | **343,384** | 481,361 | (137,977) | **3,038,797** |
| Total liabilities and equity | **¥5,433,341** | ¥6,334,778 | ¥(901,437) | **$48,082,664** |

| | | | | |
|---|---|---|---|---|
| Breakdown of accumulated other comprehensive loss | | | | |
| Unrealized gains on securities | **¥23,655** | ¥113,567 | ¥(89,912) | **$209,336** |
| Foreign currency translation adjustments | **(91,906)** | (14,757) | (77,149) | **(813,328)** |
| Pension liability adjustments | **(357,962)** | (240,172) | (117,790) | **(3,167,805)** |
| Unrealized gains (losses) on derivative instruments | **(5,615)** | 2,039 | (7,654) | **(49,690)** |
| Total interest-bearing debt | **¥1,450,912** | ¥1,310,996 | ¥139,916 | **$12,839,929** |

# Comparative Consolidated Statements of Operations

## Fiscal Year ended March 31

(¥ in millions, US$ in thousands)

| | Years ended March 31 | | | | |
|---|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| **Sales and other income** | | | | | |
| Net sales | **¥5,668,688** | ¥6,114,682 | ¥(445,994) | 93% | **$50,165,381** |
| Interest | **4,093** | 3,535 | 558 | 116% | **36,221** |
| Dividends | **2,507** | 6,732 | (4,225) | 37% | **22,186** |
| Other income | **228,067** | 136,880 | 91,187 | 167% | **2,018,292** |
| **Costs and expenses** | | | | | |
| Cost of sales | **4,813,702** | 4,703,207 | 110,495 | 102% | **42,599,133** |
| Selling, general and administrative | **1,268,752** | 1,223,066 | 45,686 | 104% | **11,227,894** |
| Loss on impairment of goodwill | **294,972** | — | 294,972 | — | **2,610,372** |
| Interest | **20,753** | 23,214 | (2,461) | 89% | **183,655** |
| Other expense | **138,321** | 155,727 | (17,406) | 89% | **1,224,079** |
| **Income (Loss) from continuing operations, before income taxes and noncontrolling interests** | **(633,145)** | 156,615 | (789,760) | — | **(5,603,053)** |
| **Income taxes** | **253,748** | 143,016 | 110,732 | 177% | **2,245,558** |
| **Income (Loss) from continuing operations, before noncontrolling interests** | **(886,893)** | 13,599 | (900,492) | — | **(7,848,611)** |
| **Income (Loss) from discontinued operations, before noncontrolling interests** | **370,858** | (32,614) | 403,472 | — | **3,281,930** |
| **Net loss before noncontrolling interests** | **(516,035)** | (19,015) | (497,020) | — | **(4,566,681)** |
| **Less:Net income (loss) attributable to noncontrolling interests** | **(56,022)** | 18,810 | (74,832) | — | **(495,769)** |
| **Net loss attributable to shareholders of the Company** | **¥(460,013)** | ¥(37,825) | ¥(422,188) | — | **$(4,070,912)** |

## Comparative Consolidated Statements of Comprehensive Income

### Fiscal Year ended March 31

(¥ in millions, US$ in thousands)

| | Years ended March 31 | | | | |
|---|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| **Net loss before noncontrolling interests** | **¥(516,035)** | ¥(19,015) | ¥(497,020) | — | **$(4,566,681)** |
| **Other comprehensive income (loss), net of tax** | | | | | |
| Unrealized gains (losses) on securities | **(106,947)** | 22,664 | (129,611) | — | **(946,434)** |
| Foreign currency translation adjustments | **(101,585)** | 129,089 | (230,674) | — | **(898,982)** |
| Pension liability adjustments | **(118,908)** | 5,041 | (123,949) | — | **(1,052,283)** |
| Unrealized gains (losses) on derivative instruments | **(7,973)** | 4,785 | (12,758) | — | **(70,558)** |
| **Total other comprehensive income (loss)** | **(335,413)** | 161,579 | (496,992) | — | **(2,968,257)** |
| **Comprehensive income (loss)** | **(851,448)** | 142,564 | (994,012) | — | **(7,534,938)** |
| **Less:Comprehensive income (loss) attributable to noncontrolling interests** | **(98,930)** | 51,926 | (150,856) | — | **(875,487)** |
| **Comprehensive income (loss) attributable to shareholders of the Company** | **¥(752,518)** | ¥90,638 | ¥(843,156) | — | **$(6,659,451)** |

## Comparative Consolidated Statements of Cash Flows

(¥ in millions, US$ in thousands)

| | Years ended March 31 | | | |
|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | **2016** |
| **Cash flows from operating activities** | | | | |
| Net loss before noncontrolling interests | **¥(516,035)** | ¥(19,015) | ¥(497,020) | **$(4,566,681)** |
| Depreciation and amortization | **213,869** | 189,938 | 23,931 | **1,892,646** |
| Equity in (earnings) losses of affiliates, net of dividends | **33,778** | (10,708) | 44,486 | **298,920** |
| Decrease in notes and accounts receivable, trade | **157,576** | 94,186 | 63,390 | **1,394,478** |
| (Increase) decrease in inventories | **167,432** | (80,372) | 247,804 | **1,481,699** |
| Decrease in notes and accounts payable, trade | **(271,785)** | (43,124) | (228,661) | **(2,405,177)** |
| Others | **213,935** | 199,537 | 14,398 | **1,893,230** |
| Adjustments to reconcile net loss before noncontrolling interests to net cash provided by (used in) operating activities | **514,805** | 349,457 | 165,348 | **4,555,796** |
| Net cash provided by (used in) operating activities | **(1,230)** | 330,442 | (331,672) | **(10,885)** |
| **Cash flows from investing activities** | | | | |
| Proceeds from sale of property, plant and equipment, intangible assets and securities | **206,606** | 120,545 | 86,061 | **1,828,372** |
| Acquisition of property, plant and equipment | **(242,019)** | (236,510) | (5,509) | **(2,141,761)** |
| Acquisition of intangible assets | **(49,446)** | (51,374) | 1,928 | **(437,575)** |
| Purchase of securities | **(1,410)** | (4,052) | 2,642 | **(12,478)** |
| Decrease in investments in affiliates | **104,493** | 8,769 | 95,724 | **924,717** |
| Others | **635,218** | (27,508) | 662,726 | **5,621,398** |
| Net cash provided by (used in) investing activities | **653,442** | (190,130) | 843,572 | **5,782,673** |
| **Cash flows from financing activities** | | | | |
| Proceeds from long-term debt | **3,106** | 241,845 | (238,739) | **27,487** |
| Repayment of long-term debt | **(215,076)** | (249,795) | 34,719 | **(1,903,327)** |
| Increase (decrease) in short-term borrowings, net | **391,363** | (74,353) | 465,716 | **3,463,389** |
| Dividends paid | **(31,848)** | (42,068) | 10,220 | **(281,841)** |
| Others | **(11,798)** | (1,424) | (10,374) | **(104,407)** |
| Net cash provided by (used in) financing activities | **135,747** | (125,795) | 261,542 | **1,201,301** |
| **Effect of exchange rate changes on cash and cash equivalents** | **(11,796)** | 13,509 | (25,305) | **(104,390)** |
| **Net increase in cash and cash equivalents** | **776,163** | 28,026 | 748,137 | **6,868,699** |
| **Cash and cash equivalents at beginning of the year** | **199,366** | 171,340 | 28,026 | **1,764,301** |
| **Cash and cash equivalents at end of the year** | **975,529** | 199,366 | 776,163 | **8,633,000** |
| **Less: Cash and cash equivalents of discontinued operations at end of the year** | **5,814** | 9,184 | (3,370) | **51,451** |
| **Cash and cash equivalents of continuing operations at end of the year** | **¥969,715** | **¥190,182** | ¥779,533 | **$8,581,549** |

# Industry Segment Information

## Fiscal Year ended March 31

(¥ in millions, US$ in thousands)

| | | Years ended March 31 | | | | |
|---|---|---|---|---|---|---|
| | | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| Net sales (Share of total sales) | Energy & Infrastructure | **¥2,048,402** **(33%)** | ¥1,993,911 (30%) | ¥54,491 (3%) | 103% | **$18,127,451** |
| | Community Solutions | 1,425,249 **(23%)** | 1,410,686 (21%) | 14,563 (2%) | 101% | **12,612,823** |
| | Electronic Devices & Components | 1,604,963 **(26%)** | 1,768,752 (26%) | (163,789) (-) | 91% | **14,203,212** |
| | Lifestyle Products & Services | 610,271 **(10%)** | 991,231 (15%) | (380,960) (-5%) | 62% | **5,400,628** |
| | Others | 494,644 **(8%)** | 543,267 (8%) | (48,623) (-) | 91% | **4,377,381** |
| | Total | **6,183,529** **(100%)** | 6,707,847 (100%) | (524,318) | 92% | **54,721,495** |
| | Corporate and Eliminations | **(514,841)** | (593,165) | 78,324 | — | **(4,556,114)** |
| | Consolidated | **¥5,668,688** | ¥6,114,682 | ¥(445,994) | 93% | **$50,165,381** |
| Segment operating income (loss) | Energy & Infrastructure | **¥(367,404)** | ¥19,245 | ¥(386,649) | — | **$(3,251,363)** |
| | Community Solutions | **(78,820)** | 53,900 | (132,720) | — | **(697,522)** |
| | Electronic Devices & Components | **(101,640)** | 216,642 | (318,282) | — | **(899,469)** |
| | Lifestyle Products & Services | **(131,910)** | (65,947) | (65,963) | — | **(1,167,345)** |
| | Others | 8,601 | 5,836 | 2,765 | 147% | **76,115** |
| | Total | **(671,173)** | 229,676 | (900,849) | — | **(5,939,584)** |
| | Corporate and Eliminations | **(37,565)** | (41,267) | 3,702 | — | **(332,434)** |
| | Consolidated | **¥(708,738)** | ¥188,409 | ¥(897,147) | — | **$(6,272,018)** |

Notes:
1) Segment sales total includes intersegment transactions.
2) Segment operating income (loss) is derived by deducting the segment's cost of sales and selling, general and administrative expenses from net sales. This result is regularly reviewed to support decision-making in allocations of resources and to assess performance. Certain operating expenses such as some restructuring charges and legal settlement costs have been excluded from segment operating income (loss) presentation herein.
3) The data relating to the consolidated segment information is presented in conformity with the classification from October 1, 2015.
4) Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

## Net Sales by Region

### Fiscal Year ended March 31

(¥ in millions, US$ in thousands)

| | | Years ended March 31 | | | | |
|---|---|---|---|---|---|---|
| | | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| Japan | | **¥2,300,677** | ¥2,409,504 | ¥(108,827) | 95% | **$20,359,974** |
| | | **(41%)** | (39%) | (2%) | | |
| Overseas | | **3,368,011** | 3,705,178 | (337,167) | 91% | **29,805,407** |
| | | **(59%)** | (61%) | (-2%) | | |
| | Asia | **1,554,179** | 1,632,963 | (78,784) | 95% | **13,753,796** |
| | | **(27%)** | (27%) | (-) | | |
| | North America | **1,010,791** | 1,046,255 | (35,464) | 97% | **8,945,053** |
| | | **(18%)** | (17%) | (1%) | | |
| | Europe | **555,904** | 710,071 | (154,167) | 78% | **4,919,504** |
| | | **(10%)** | (12%) | (-2%) | | |
| | Others | **247,137** | 315,889 | (68,752) | 78% | **2,187,053** |
| | | **(4%)** | (5%) | (-1%) | | |
| Net Sales | | **¥5,668,688** | ¥6,114,682 | ¥(445,994) | 93% | **$50,165,381** |
| | | **(100%)** | (100%) | | | |

Notes:

1) Net sales by region is determined based upon the locations of the customers.

2) Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

Toshiba Corporation

# Non-Consolidated Financial Statements

For Fiscal Year 2015 (April 1,2015 to March 31,2016)

## Outline

(¥ in billions, US$ in millions, except for items marked by asterisk)

| | Years ended March 31 | | | | |
|---|---|---|---|---|---|
| | **2016(A)** | 2015(B) | (A)-(B) | (A)/(B) | **2016** |
| Net Sales | **¥2,875.3** | ¥3,232.4 | ¥(357.1) | 89% | **$25,444.9** |
| Recurring profit (loss) | **(167.7)** | 181.0 | (348.7) | - | **(1,483.8)** |
| Net loss | **(330.0)** | (60.0) | (270.0) | - | **(2,920.5)** |
| Losses per share* | **¥(77.94)** | ¥(14.17) | ¥(63.77) | | **$(0.69)** |
| Full-term dividend* | **¥0.00** | ¥4.00 | ¥(4.00) | | **$0.00** |
| Year-end dividend* | **¥0.00** | ¥0.00 | ¥0.00 | | **$0.00** |

Notes:The U.S.dollar is valued at ¥113 throughout this statement for convenience only.

**May 12, 2016**

# Supplementary Data for FY2015 Business Results

## 1. Outline

(Yen in billions)

| | | FY2014 | FY2015 | FY2016 |
|---|---|---|---|---|
| Net sales | | 6,114.7 | 5,668.7 | 5,100.0 |
| | YoY | — | 93% | 90% |
| Operating income (loss) | | 188.4 | -708.7 | 120.0 |
| Income (loss) from continuing operations, before income taxes and noncontrolling interests | | 156.6 | -633.1 | 85.0 |
| Income (loss) from continuing operations, before noncontrolling interests | | 13.6 | -886.9 | — |
| Income (loss) from discontinued operations, before noncontrolling interests | | -32.6 | 370.9 | — |
| Net income (loss) attributable to shareholders of the Company | | -37.8 | -460.0 | 100 |
| Earnings (losses) per share attributable to shareholders of the Company (yen) | | -8.93 | -108.64 | 23.62 |
| Exchange rate | (Yen/US-Dollar) | 109 | 121 | 110 |
| | (Yen/Euro) | 139 | 133 | — |

* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

| | | FY2014 | FY2015 |
|---|---|---|---|
| No.of consolidated companies, including Toshiba Corporation | | 585 | 551 |
| No.of employees ( '000) | | 199 | 188 |
| | Japan | 111 | 105 |
| | Overseas | 88 | 83 |

## 2. Sales and Operating income (loss) by Industry Segment

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Energy & Infrastructure | | | |
| | Net sales | 1,993.9 | 2,048.4 |
| | Operating income (loss) | 19.2 | -367.5 |
| | (%) | 1.0% | -17.9% |
| Community Solutions | | | |
| | Net sales | 1,410.7 | 1,425.2 |
| | Operating income (loss) | 53.9 | -78.8 |
| | (%) | 3.8% | -5.5% |
| Electronic Devices & Components | | | |
| | Net sales | 1,768.8 | 1,605.0 |
| | Operating income (loss) | 216.6 | -101.6 |
| | (%) | 12.2% | -6.3% |
| Lifestyle Products & Services | | | |
| | Net sales | 991.2 | 610.3 |
| | Operating income (loss) | -65.9 | -131.9 |
| | (%) | -6.7% | -21.6% |
| Others | | | |
| | Net sales | 543.2 | 494.6 |
| | Operating income (loss) | 5.9 | 8.6 |
| | (%) | 1.1% | 1.7% |
| Sub Total | | | |
| | Net sales | 6,707.8 | 6,183.5 |
| | Operating income (loss) | 229.7 | -671.2 |
| Corporate and Eliminations | | | |
| | Net sales | -593.1 | -514.8 |
| | Operating income (loss) | -41.3 | -37.5 |
| Total | | | |
| | Net sales | 6,114.7 | 5,668.7 |
| | Operating income (loss) | 188.4 | -708.7 |
| | (%) | 3.1% | -12.5% |

*The data relating to the consolidated segment information is presented in conformity with the classification from October 1, 2015.

* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

## 3. Overseas Sales by Region

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Asia | | 1,633.0 | 1,554.2 |
| | Ratio | 44% | 46% |
| North America | | 1,046.3 | 1,010.8 |
| | Ratio | 28% | 30% |
| Europe | | 710.1 | 555.9 |
| | Ratio | 19% | 17% |
| Others | | 315.8 | 247.1 |
| | Ratio | 9% | 7% |
| Total | | 3,705.2 | 3,368.0 |
| | % of Total Sales | 61% | 59% |

* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

## 4. Capital Expenditures by Industry Segment (Commitment Basis), Investments & Loans

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Energy & Infrastructure | | 57.8 | 49.8 |
| | YoY | - | 86% |
| Community Solutions | | 30.9 | 25.0 |
| | YoY | - | 81% |
| Electronic Devices & Components | | 221.8 | 202.2 |
| | YoY | - | 91% |
| Lifestyle Products & Services | | 4.3 | 2.0 |
| | YoY | - | 47% |
| Others | | 21.8 | 24.2 |
| | YoY | - | 111% |
| Total capital expenditures | | 336.6 | 303.2 |
| | YoY | - | 90% |
| Total investments & loans | | 37.6 | 23.9 |
| | YoY | - | 64% |
| Total capital expenditures and investments & loans | | 374.2 | 327.1 |
| | YoY | - | 87% |

* The above capital expenditure amount includes a part of the investment made by companies accounted for by the equity method such as Flash Forward, Ltd.
* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

After the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Energy Systems & Solutions | | 31.8 | 26.0 |
| | YoY | 74% | 82% |
| Infrastructure Systems & Solutions | | 33.3 | 24.0 |
| | YoY | 119% | 72% |
| Retail & Printing Solutions | | 9.8 | 11.0 |
| | YoY | 54% | 112% |
| Storage & Electronic Devices Solutions | | 200.8 | 285.0 |
| | YoY | 91% | 142% |
| Industrial ICT Solutions | | 4.1 | 4.0 |
| | YoY | 132% | 98% |
| Others | | 23.4 | 10.0 |
| | YoY | 95% | 43% |
| Total capital expenditures | | 303.2 | 360.0 |
| | YoY | 90% | 119% |

| | | | |
|---|---|---|---|
| Total investments & loans | | 23.9 | 10.0 |
| | YoY | 64% | 42% |

| | | | |
|---|---|---|---|
| Total capital expenditures and investments & loans | | 327.1 | 370.0 |
| | YoY | 87% | 113% |

* The above capital expenditure amount includes a part of the investment made by companies accounted for by the equity method such as Flash Forward, Ltd.

* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

## 5. Depreciation and R&D Expenditures

(Yen in billions)

| | | FY2014 | FY2015 | FY2016 |
|---|---|---|---|---|
| Depreciation | | 172.2 | 203.7 | 160.0 |
| | Y o Y | - | 118% | 79% |
| R&D expenditures | | 320.0 | 368.2 | 310.0 |
| | Y o Y | - | 115% | 84% |

* Prior-period data relating to the discontinued operation has been reclassified to conform with the current classification.

## 6. Semiconductor & Storage Sales, Operating income (loss) and Capital expenditures

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Discrete | 154.8 | 138.8 |
| | System LSI | 177.9 | 155.3 |
| | Memory | 860.6 | 816.6 |
| | Storage | 507.9 | 414.6 |
| | Semiconductor & Storage Products Company | 1,738.9 | 1,575.9 |
| Operating income (loss) | | 219.4 | -101.0 |
| Capital expenditures (Commitment Basis) | | 220.0 | 200.8 |

* The above capital expenditure amount includes a part of the investment made by companies accounted for by the equity method such as Flash Forward, Ltd.

## 7. Lifestyle Products & Services Sales and Operating income (loss)

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Personal Computer | 666.3 | 443.6 |
| | Personal & Client Solutions Company | 670.9 | 447.1 |
| Operating income (loss) | | -27.6 | -84.9 |

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Television | 191.7 | 74.5 |
| | Hone Appliances | 225.4 | 213.4 |
| | Toshiba Lifestyle Products & Services Corp. | 498.9 | 360.3 |
| Operating income (loss) | | -82.1 | -67.2 |

* Prior-period data relating to the discontinued operation has not been reclassified to conform with the current classification.

## 8.Energy & Infrastructure Sales and Operating income (loss)

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Nuclear Power Systems | 617.8 | 727.5 |
| | Thermal & Hydoro Power Systems | 320.8 | 334.2 |
| | Power Systems Company | 955.7 | 1,068.6 |
| Operating income (loss) | | 18.5 | -247.3 |

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Transmission & Distribution Systems, Solar Photovoltaic Systems | 383.2 | 342.7 |
| | Industrial and Transportation Systems | 355.8 | 343.0 |
| | Landis+Gyr AG | 167.4 | 190.0 |
| | Social Infrastructure Systems Company | 1,067.8 | 1,005.0 |
| Operating income (loss) | | 1.5 | -116.3 |

## 9.Community Solutions Sales and Operating income (loss)

Before the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2014 | FY2015 |
|---|---|---|---|
| Net sales | Community Infrastracture & Building Facilities | 266.9 | 289.3 |
| | Elevators | 234.1 | 241.3 |
| | Lighting | 214.7 | 195.2 |
| | Commercial Air-Conditioners | 173.2 | 177.8 |
| | Communiy Solutions Company | 872.2 | 883.0 |
| Operating income (loss) | | 29.0 | 7.2 |

## 10.Energy Systems & Solutions Sales and Operating income (loss)

After the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2015 | FY2016 |
|---|---|---|---|
| Nuclear Power Systems | Net sales | 727.5 | 870.0 |
| | Operating income (loss) | -208.8 | 40.0 |
| Thermal & Hydro Power Systems | Net sales | 334.2 | 340.0 |
| | Operating income (loss) | -25.0 | 9.0 |
| Transmission & Distribution Solution and Services | Net sales | 331.3 | 348.0 |
| | Operating income (loss) | -101.6 | 6.3 |
| Landis+Gyr (AG) Consolidated | Net sales | 190.0 | 170.2 |
| | Operating income (loss) | 5.4 | 5.6 |
| Energy Systems & Solutions Company | Net sales | 1,584.2 | 1,700.0 |
| | Operating income (loss) | -346.3 | 51.0 |

## 11.Infrastructure Systems & Solutions Sales and Operating income (loss)

After the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2015 | FY2016 |
|---|---|---|---|
| Public Infrastructure | Net sales | 374.6 | 362.3 |
| | Operating income (loss) | 10.3 | 20.8 |
| Buildings and Facilities | Net sales | 686.8 | 679.9 |
| | Operating income (loss) | -2.7 | 25.2 |
| Industrial Systems | Net sales | 343.7 | 340.3 |
| | Operating income (loss) | -15.0 | 5.0 |
| Infrastrucure Systems & Solutions Company | Net sales | 1,354.6 | 1,340.0 |
| | Operating income (loss) | -7.4 | 51.0 |

## 12.Storage & Electronic Devices Solutions Sales and Operating income (loss)

After the Implementation of Organizational Reforms

(Yen in billions)

| | | | FY2015 | FY2016 |
|---|---|---|---|---|
| Storage | Memories | Net sales | 845.6 | 746.6 |
| | | Operating income (loss) | 110.0 | 24.4 |
| | HDDs | Net sales | 385.6 | 351.9 |
| | | Operating income (loss) | -40.2 | 2.2 |
| Other Devices | | Net sales | 344.7 | 331.5 |
| | | Operating income (loss) | -169.8 | 5.4 |
| Storage & Electronic Devices Solutions Company | | Net sales | 1,575.9 | 1,430.0 |
| | | Operating income (loss) | -100.0 | 32.0 |

## 13.Other Sales and Operating income (loss)

After the Implementation of Organizational Reforms

(Yen in billions)

| | | FY2015 | FY2016 |
|---|---|---|---|
| P C | Net sales | 443.6 | 226.0 |
| | Operating income (loss) | -87.1 | 0.0 |
| Visual Products | Net sales | 94.7 | 65.0 |
| | Operating income (loss) | -48.3 | 1.5 |