

FOR IMMEDIATE RELEASE

February 4, 2016

Notice Regarding Revision of Business Results Forecast

TOKYO – Toshiba Corporation (TOKYO: 6502) today announced the following revision to its business forecasts for the FY2015, ending March 31, 2016. These revised forecasts replace the forecasts announced on December 21, 2015.

1. Details of revision

Consolidated forecast for FY2015 (April 1, 2015 – March 31, 2016)

(Yen in billions)

	(A) Previous Forecast	(B) Revised Forecast	(B) – (A)	(B)/(A)	Reference: FY2014
Net sales	6,200.0	6,200.0	-	-	6,655.9
Operating income (loss)	-340.0	-430.0	-90.0	-26.5%	170.4
Income (loss) before taxes and noncontrolling interests	-300.0	-400.0	-100.0	-33.3%	136.6
Net income (loss) attributable to shareholders of the Company ^[1]	-550.0	-710.0	-160.0	-29.1%	-37.8
Earnings (losses) per share attributable to shareholders of the Company ^[1]	-129.90 yen	-167.69 yen	-37.79 yen	-	-8.93 yen

^[1] “The Company” refers to Toshiba Corporation.

2. Reasons for revision

Operating income (loss) has deteriorated by 37 billion yen against previous forecast, as Toshiba has made provisions for losses from unprofitable projects in the Energy & Infrastructure segment, mainly in the Transmission & Distribution Systems business. This follows close investigations of the profitability of individual projects and the recognition that it will be difficult to realize cost reductions.

In the Electronic Devices & Components segment, operating income (loss) has deteriorated by 30 billion yen on costs incurred in the disposal or write-down of inventories that Toshiba held for sale but for which the possibility of sales is now low, and from reduced sales caused by decreased sales prices.

As a result, though there was an improvement of 3 billion yen in the Lifestyle Products & Services segment and others, Toshiba anticipates a deterioration in operating income (loss) from business operations totaling 64 billion yen.

In addition to this, in the Energy & Infrastructure segment, Toshiba has recorded an additional write-down of approximately 8 billion yen for fixed assets, including goodwill, in the Transmission & Distribution Systems and Solar Photovoltaic Systems businesses, while in the Lifestyle Products & Services segment has recorded additional restructuring costs of approximately 18 billion yen for its PC business, to cover the liquidation of overseas subsidiaries and disposal of inventories. As a result, Toshiba now anticipates an operating loss of -430 billion yen, a deterioration of 90 billion yen against the company's previous forecast.

Toshiba also expects to see deteriorated non-operating income (loss) of -10 billion yen, and a short-term reversal of deferred tax assets of 60 billion yen. Together, these will cause a 160 billion yen deterioration in net income (loss) attributable to shareholders of the Company, to -710 billion yen.

3. Compensation Reduction for Executive Officers

Recognizing the seriousness of the largest loss in its history, Toshiba will implement additional monthly reductions in the compensation of Executive Officers, on top of the 20% - 30% reductions already applied in May 2015. From February, all Executive Officers will be subject to a further 10% reduction in monthly compensation, a total reduction of 30% - 40%, depending on position. The President & CEO, Mr. Masashi Muromachi will continue to be subject to a 90% reduction in compensation, applied since August 2015.

In further recognizing the severity of the current financial situation, the Company will also reduce managerial salaries, for section managers and above, from February 2016, with section managers subject to a reduction of 10,000 yen a month.

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 Toshiba's assumptions and beliefs in light of the data currently available to it. The actual results are subject to a number of risks and uncertainties, thus may be significantly different from Toshiba's assumptions. Major risk factors are as indicated below, though this list is not necessarily exhaustive.

- Major disasters, including earthquakes and typhoons;
- Lawsuits or other disputes in Japan or in other countries;
- Success or failure of businesses promoted by Toshiba Group in collaboration with other companies;
- Success or failure of new businesses or R&D investment;
- Changes in political or economic conditions in Japan or abroad; or regulatory changes;
- Rapid changes in the supply and demand situation in major markets or 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.

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