

(This Convocation Notice is an English summary of the original Japanese notice. The Japanese original is official and this summary is for your convenience only. Toshiba does not guarantee the accuracy of this summary.)

Security Code (in Japan) 6502
ISIN Code JP3592200004

June 1, 2009

CONVOCATION NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE 170TH FISCAL YEAR

Dear Shareholder:

Notice is hereby given that the Ordinary General Meeting of Shareholders for the 170th fiscal year will be held as described below. Your attendance is cordially requested.

If you are unable to attend the meeting, after reviewing the Reference Material for the Ordinary General Meeting of Shareholders annexed hereto, please exercise your voting rights by sending back to us the attached voting right exercise form with expressing your approval or disapproval of the proposals or filling in your votes for or against the proposals on the website (<http://www.web54.net>).

Your vote must reach the Company by 5:00 p.m., Tuesday, June 23, 2009.

Yours very truly,

Atsutoshi Nishida
Director
Representative Executive Officer
President and Chief Executive Officer
Toshiba Corporation
1-1, Shibaura 1-chome,
Minato-ku, Tokyo, Japan

1. Date and Time: Wednesday, June 24, 2009, at 10:00 a.m.
2. Place: Kokugikan
3-28, Yokoami 1-chome, Sumida-ku, Tokyo, Japan

Please be kindly advised that the meeting place has been changed to Kokugikan since the last ordinary general meeting of shareholders. Please see the map of the meeting place described at the last page.

3. Agenda for the Meeting

Subject for Report

Business report, consolidated financial statements and financial statements (non-consolidated) for the 170th fiscal year (starting from April 1, 2008 and ending on March 31, 2009) and audit report for the consolidated financial statements.

Subject for Resolution

The Company's Proposals (The First to Third Proposal)

First Proposal: Amendment to Articles of Incorporation

Second Proposal: Election of fourteen (14) directors

Third Proposal: Renewal of Countermeasures to Large-Scale Acquisitions of Shares in the Company (Takeover Defense Measures)

Shareholders' Proposals (The Forth to Thirteenth Proposal)

Fourth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information concerning the facts in relation to illegal activities, etc.

Fifth Proposal: Amendments to the Articles of Incorporation regarding exercise of voting rights in the general meeting of shareholders

Sixth Proposal: Amendments to the Articles of Incorporation regarding disclosure of the sanction imposed on the officers (directors and executive officers)

Seventh Proposal: Amendments to the Articles of Incorporation regarding disclosure of the facts of improper billing and unfair receipt of the research labor expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO)

Eighth Proposal: Amendments to the Articles of Incorporation regarding disclosure of personalized information of each director and executive officer of the Company

Ninth Proposal: Amendments to the Articles of Incorporation regarding disclosure of personalized information of each advisor to the board, advisor and *shayu* of the Company.

Tenth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information concerning employees who entered the Company from the ministry or agency of government or other public organizations

Eleventh Proposal: Amendments to the Articles of Incorporation regarding establishment of a new committee for the purpose of discovering the details of and preventing illegal and/or improper activities

Twelfth Proposal: Amendments to the Articles of Incorporation regarding semiconductor business of the Company

Thirteenth Proposal: Amendments to the Articles of Incorporation regarding conditions of employment for temporary employees

The details of each proposal above are described in the Reference Material for the Ordinary General Meeting of Shareholders annexed hereto.

- * If you attend the meeting, please submit the attached Voting Rights Exercise Form at the reception.
- * If you exercise your voting rights through the Internet, please see “the explanation about the exercise of the voting rights through the Internet”.
- * If you exercise the voting rights redundantly both through the written form and the Internet, the exercise of the voting rights that reaches the Company later will be treated as effective. If you exercise the voting rights redundantly through the Internet, the exercise of the voting rights made at last will be treated as effective.
- * When you exercise the voting rights through an attorney-in-fact, such attorney-in-fact must be only 1 (one) shareholder who are entitled to attend the general meeting of shareholders. In this case, please submit a written power of attorney to the Company.
- * Business report, consolidated financial statements and financial statements (non-consolidated) and audit reports for the 170th fiscal year which are required to be attached to the convocation notice of ordinary general meeting of shareholders are as shown in the Reports for the 170th Fiscal Year annexed hereto.
- * Any changes in the business report, consolidated financial statements and financial statements (non-consolidated) or the Reference Material for the Ordinary General Meeting of Shareholders will be reported on the Company’s website (<http://www.toshiba.co.jp/about/ir/>).

Note: Payment of the Year-End Dividends

The Company regrets to notice that we decided not to pay year-end dividends of the 170th Fiscal Year at the resolution of the Board of Directors held on May 8, 2009. We would be grateful if you could kindly understand our decision.

- This space is intentionally left blank -

REFERENCE MATERIAL FOR THE ORDINARY GENERAL MEETING OF
SHAREHOLDERS

- | | | |
|----|-------------------------------|-----------|
| 1. | Total Number of Voting Rights | 3,215,527 |
| 2. | Reference to Proposal | |

<Company Proposal (First Proposal through Third Proposal)>

First Proposal through Third Proposal are proposed by the Company.

First Proposal: Amendment of Articles of Incorporation

(1) Reasons for Proposal

(a) Regarding Article 7 Paragraph 2

Upon the enactment of the Act Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Rationalization of the Settlement of Trades of Stocks and Other Securities (Act No. 88, 2004, the “Settlement Rationalization Act”) and the enforcement of the Paperless Share Transfer System on January 5, 2009, pursuant to the provisions of Article 6, Paragraph 1 of the Supplementary Provisions of the Settlement Rationalization Act, the provision of the Articles of Incorporation of Toshiba which stipulates the issuance of share certificates representing the shares of the Company are deemed to have been abolished. In order to clarify the foregoing in writing in the Articles of Incorporation, it is proposed that the provision that stipulates the issuance of share certificates representing the shares of the Company be deleted, and that the provision that stipulates the non-issuance of share certificates representing the shares constituting less than one (1) unit (Tangen-miman-kabushiki), which are no longer effective, be deleted from the Articles of Incorporation.

(b) Regarding Article 8 and Article 10 Paragraph 3

In accordance with the expiration of the provisions of the Act on Custody and Book-Entry Transfer of Share Certificates and Other Securities, it is also proposed that all provisions concerning beneficial shareholders and the register of beneficial shareholders, which are no longer legally effective, be deleted from the Articles of Incorporation.

(c) Regarding Article 10 Paragraph 3, Article 36 and Article 37

Upon the enforcement of the Paperless Share Transfer System, new registrations of lost share certificates will no longer be conducted. However, because the register of lost share certificates is required to be maintained until January 5, 2010, it is proposed that the provisions concerning the register of lost share certificates be established in the supplementary provisions of the Articles of Incorporation, effective until the end of January 5, 2010.

(2) Substance of Proposal

The substance of the proposal is set forth below.

(Changes are indicated by underline.)

| Current Articles of Incorporation | Proposed Amendments |
|---|---|
| <p>Article 6. (Omitted)</p> <p>(Number of Shares Constituting One Unit of Shares (Tangen-kabushiki), <u>Issuance of Share Certificates and Non-issuance of Share Certificates Representing Less than One Unit (Tangen-miman-kabushiki)</u>)</p> <p>Article 7.</p> <p>The number of shares constituting one (1) unit of shares (hereinafter called "Tangen-kabushiki") shall be one thousand (1,000).</p> <p><u>The Company shall issue share certificates representing the shares of the Company; provided, however, the Company shall not issue share certificates representing shares constituting less than one (1) unit (hereinafter called "Tangen-miman-kabushiki"), unless otherwise provided by the Regulations on Handling of Shares, Etc.</u></p> | <p>(No Change)</p> <p>(Number of Shares Constituting One Unit of Shares (Tangen-kabushiki))</p> <p>Article 7.</p> <p>(No Change)</p> <p>(Deleted)</p> |

| Current Articles of Incorporation | Proposed Amendments |
|--|---|
| <p>(Rights in relation to Tangen-miman-kabushiki) Article 8.</p> <p>A shareholder <u>(including a beneficial shareholder, the same being applicable hereinafter)</u> may not, in relation to his/her Tangen-miman-kabushiki, exercise any right other than the rights stipulated in each of the following items:</p> <ol style="list-style-type: none"> 1. The rights provided in each item of Article 189, Paragraph 2 of the Companies Act; 2. The rights to receive allocation of offered shares and offered stock acquisition rights proportionately to the number of shares held by the shareholder; and 3. The right to make a request stipulated in the following Article. | <p>(Rights in relation to Tangen-miman-kabushiki) Article 8.</p> <p>A shareholder may not, in relation to his/her Tangen-miman-kabushiki, exercise any right other than the rights stipulated in each of the following items:</p> <ol style="list-style-type: none"> 1. The rights provided in each item of Article 189, Paragraph 2 of the Companies Act; 2. The rights to receive allocation of offered shares and offered stock acquisition rights proportionately to the number of shares held by the shareholder; and 3. The right to make a request stipulated in the following Article. |
| <p>Article 9. (Omitted)</p> | <p>(No Change)</p> |
| <p>(Transfer Agent (Kabunushi Meibo Kanrinin)) Article 10.</p> <p>The Company shall appoint a transfer agent (hereinafter called "Kabunushi Meibo Kanrinin").</p> <p>The public notice shall be given with regard to the designation of Kabunushi Meibo Kanrinin and its handling office.</p> <p>Kabunushi Meibo Kanrinin is entrusted with the handling of the matters on the register of shareholders, etc., such as making and maintaining the register of shareholders <u>(including the register of beneficial shareholders, the same being applicable hereinafter), the register of stock acquisition</u></p> | <p>(Transfer Agent (Kabunushi Meibo Kanrinin)) Article 10.</p> <p>(No Change)</p> <p>(No Change)</p> <p>Kabunushi Meibo Kanrinin is entrusted with the handling of the matters on the register of shareholders, etc., such as making and maintaining the register of shareholders <u>and the register of stock acquisition rights</u>. These matters shall not be handled by the Company itself.</p> |

| Current Articles of Incorporation | Proposed Amendments |
|--|---|
| <u>rights and the register of lost share certificates.</u> These matters shall not be handled by the Company itself. | |
| Article 11. (Omitted) | (No Change) |
| Article 35. (Omitted) | (No Change) |
| (Newly Established) | <u>(Register of Lost Share Certificates)</u> <u>Article 36.</u> <u>Kabunushi Meibo Kanrinin is entrusted with the handling of matters relating to the register of lost share certificates, such as maintaining the register of lost share certificates. These matters shall not be handled by the Company itself.</u> |
| (Newly Established) | <u>(Effective Term)</u> <u>Article 37.</u> <u>The provisions of the preceding Article and this Article shall be effective until January 5, 2010 and shall be deleted as of January 6, 2010.</u> |
| [End] | [End] |

Second Proposal: Election of Fourteen (14) Directors

The term of office of the current 14 Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, it is proposed to elect the following fourteen (14) Directors based on the decision of the Nomination Committee.

The Nomination Committee decided the candidates for Directors on the following criteria and judged that the candidates conformed to these criteria and that the candidates have the appropriate endowments for the directors.

1. Being respected, dignified, and highly ethical person
2. Being responsive to compliance with laws and regulations
3. Being in good health to conduct the required duties
4. Having objective judgments on management issues as well as excellent foresight and vision
5. Having no interest in or transaction with the Company's main business fields that might

affect management decisions

6. For the outside directors, having a good performance and insight in their field

Messrs. Kiichiro FURUSAWA, Hiroshi HIRABAYASHI, Takeshi SASAKI and Takeo KOSUGI are the candidates for Outside Directors. The reasons that we selected them as candidates for Outside Directors and that we considered they could perform their duties as Outside Directors are as follows:

Mr. Kiichiro FURUSAWA:

Mr. Furusawa currently properly supervises the Company's management based on his rich experience and knowledge as a specialist in finance and management.

Mr. Hiroshi HIRABAYASHI:

Mr. Hirabayashi currently properly supervises the Company's management based on his rich experience and knowledge as a diplomat, including the inspection-related tasks of the diplomatic establishments abroad.

Mr. Takeshi SASAKI:

Mr. Sasaki currently properly supervises the Company's management based on his rich experience and knowledge as a political scientist and a manager of a university.

Mr. Takeo KOSUGI:

Mr. Kosugi is expected to properly supervise the Company's management based on his rich experience and knowledge as a specialist in law.

Tenure of Messrs. Kiichiro FURUSAWA, Hiroshi HIRABAYASHI and Takeshi SASAKI will be three years, two years and two years respectively, at the conclusion of this General Meeting of Shareholders.

The Company has concluded a limited liability contract with Messrs. Kiichiro FURUSAWA, Hiroshi HIRABAYASHI and Takeshi SASAKI, to limit their liabilities as provided in Article 423, Paragraph 1 of the Corporate Law to 31.2 million yen or the minimum liability amount stated in Article 425, Paragraph 1 of the Company Law, whichever is larger. The Company intends to renew the contract with Messrs. Kiichiro FURUSAWA, Hiroshi HIRABAYASHI and Takeshi SASAKI, if elected. Also, the Company intends to conclude identical limited liability contract with Mr. Takeo KOSUGI, if elected.

East Japan Railway Company, for which Mr. Takeshi SASAKI serves as a director, received an administrative penalty in line with the River Act. This is mainly because the Shinanogawa power station of East Japan Railway Company took more than the maximum allowed quantity of water. He monitored compliance with laws and regulations mainly thorough board meeting. In response to the administrative penalty, he requested to take all necessary measures to ensure that this kind of misconduct does not reoccur in the future.

Candidates for Directors are as follows:

- This space is intentionally left blank -

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|---|---|---|
| 1. | Atsutoshi NISHIDA December 29, 1943 | Representative Executive Officer President and Chief Executive Officer Member, the Compensation Committee | May 1975 Joined the Company June 1997 Vice President and Director June 1998 Corporate Vice President Deputy Group Executive, Information Equipment Group April 1999 Corporate Vice President Executive Vice President, Digital Media Equipment & Services Company of Toshiba Corporation March 2000 Corporate Vice President | 123 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|--|------------------------|-----------|---|---|
| | | | <p>Responsible for Corporate Strategic Planning Div.</p> <p>June 2000 Corporate Senior Vice President Responsible for Corporate Strategic Planning Div.</p> <p>April 2001 Corporate Senior Vice President President and Chief Executive Officer, Digital Media Network Company of Toshiba Corporation</p> <p>April 2003 Corporate Senior Vice President Responsible for Digital Products Group and Information Systems Center</p> <p>June 2003 Director Executive Officer</p> | |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|--|---|---|
| | | | <p>Corporate Executive Vice President</p> <p>June 2005 – Present</p> <p>Director</p> <p>Representative Executive Officer</p> <p>President and Chief Executive Officer</p> | |
| 2. | <p>Masashi MUROMACHI</p> <p>April 10, 1950</p> | <p>Representative Executive Officer</p> <p>Corporate Senior Executive Vice President</p> <p>Responsible for Electronic Devices Group</p> <p>Managing Director, New Lighting Systems</p> <p>Managing Director, New Visual Device Group Executive, Quality Div.</p> <p>General Executive, Productivity & Environment Group</p> | <p>April 1975</p> <p>Joined the Company</p> <p>April 2004</p> <p>Executive Vice President, Semiconductor Company of Toshiba Corporation</p> <p>June 2004</p> <p>Executive Officer</p> <p>Corporate Vice President</p> | 39 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|----------------------------------|--|---|---|
| | | | <p>June 2005 Executive Officer Corporate Senior Vice President</p> <p>June 2006 Executive Officer Corporate Executive Vice President</p> <p>June 2008 - Present Director Representative Executive Officer Corporate Senior Executive Vice President</p> | |
| 3. | Norio SASAKI June 1, 1949 | <p>Representative Executive Officer Corporate Senior Executive Vice President Responsible for Social Infrastructure Group Group Executive, Innovation Div. General Executive, Export Control Group</p> | <p>April 1972 Joined the Company</p> <p>April 2003 Vice President, Nuclear Energy Systems & Services Division, Industrial & Power Systems Company of Toshiba Corporation</p> | 34 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|------------------------------------|--|--|---|
| | | | <p>June 2005 Executive Officer Corporate Vice President</p> <p>June 2007 Executive Officer Corporate Executive Vice President</p> <p>June 2008 - Present Director Representative Executive Officer Corporate Senior Executive Vice President</p> | |
| 4. | Fumio MURAOKA July 10, 1948 | Representative Executive Officer Corporate Executive Vice President General Executive, Finance & Accounting Group | <p>April, 1971 Joined the Company</p> <p>June, 2003 Executive Officer Corporate Vice President</p> | 49 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|---|--|---|
| | | | <p>June, 2006 – Present</p> <p>Director</p> <p>Representative Executive Officer</p> <p>Corporate Executive Vice President</p> | |
| 5. | <p>Masao NAMIKI</p> <p>April 2, 1949</p> | <p>Executive Officer</p> <p>Corporate Executive Vice President</p> <p>General Executive of Strategic Planning & Communications Group</p> <p>General Executive, Information & Security Group</p> | <p>April 1975</p> <p>Joined the Company</p> <p>June 2003</p> <p>Executive Officer</p> <p>Corporate Vice President</p> <p>June 2005</p> <p>Executive Officer</p> <p>Corporate Senior Vice President</p> <p>June 2007</p> <p>Executive Officer</p> <p>Corporate Executive Vice President</p> | 43 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|---|---|---|
| | | | <p>June 2008 – Present</p> <p>Director</p> <p>Executive Officer</p> <p>Corporate Executive Vice President</p> | |
| 6. | <p>Kazuo TANIGAWA</p> <p>September 8, 1949</p> | <p>Executive Officer</p> <p>Corporate Executive Vice President</p> <p>Managing Director, Network Services</p> <p>Project Manager, Risk Management</p> <p>Project Team</p> <p>General Executive , Legal Affairs Group</p> <p>General Executive, Human Resources</p> <p>Group</p> | <p>April 1972</p> <p>Joined the Company</p> <p>October 2002</p> <p>General Manager, Group Relations Div.</p> <p>June 2004</p> <p>Executive Officer</p> <p>Corporate Vice President</p> <p>June 2007</p> <p>Director</p> <p>Executive Officer</p> <p>Corporate Senior Vice President</p> | 49 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|-------------------------------|--|---|
| | | | <p>June 2008 – Present</p> <p>Director</p> <p>Executive Officer</p> <p>Corporate Executive Vice President</p> | |
| 7. | <p>Shigeo KOGUCHI</p> <p>August 13, 1945</p> | Chairman, the Audit Committee | <p>July 1976</p> <p>Joined the Company</p> <p>June 2001</p> <p>Corporate Vice President</p> <p>Executive Vice President, Semiconductor Company of Toshiba Corporation</p> <p>April 2003</p> <p>Corporate Vice President</p> <p>President and Chief Executive Officer, Semiconductor Company of Toshiba Corporation</p> | 50 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|--|---|---|---|
| | | | <p>June 2003 Executive Officer Corporate Senior Vice President</p> <p>June 2004 Executive Officer Corporate Executive Vice President</p> <p>June 2005 Director Representative Executive Officer Corporate Senior Executive Vice President</p> <p>June 2008 – Present Director</p> | |
| 8. | <p>Kiichiro FURUSAWA</p> <p>March 12, 1939</p> | <p>Chairman, the Compensation Committee Member, the Audit Committee</p> | <p>April 1962 Joined Mitsui Trust and Banking Company, Limited</p> <p>April 1999</p> | 10 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|--|------------------------|-----------|---|---|
| | | | <p>President, Mitsui Trust and Banking Company, Limited</p> <p>April 2000 - June 2003</p> <p>President, Chuo Mitsui Trust and Banking Company, Limited</p> <p>February 2002</p> <p>President, Mitsui Trust Holdings, Incorporated</p> <p>June 2003 – June 2006</p> <p>Chairman and President, Mitsui Trust Holdings, Incorporated (Currently, Chuo Mitsui Trust Holdings, Inc.)</p> <p>June 2006 – Present</p> <p>Chairman, Chuo Mitsui Trust Holdings, Inc.</p> <p>June 2006 – Present</p> | |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|----|---|---|---|---|
| | | | Outside Director of the Company Representation of other entities: Chairman, Chuo Mitsui Trust Holdings, Inc. | |
| 9. | Hiroshi HIRABAYASHI May 5, 1940 | Member, the Audit Committee Member, the Compensation Committee | April 1963 Joined the Ministry of Foreign Affairs of Japan January 1988 Director, Management and Coordination Div., Minister's Secretariat, Ministry of Foreign Affairs of Japan January 1990 Minister, Embassy of Japan in the United States of America August 1993 Director-General, Economic Cooperation Bureau, Ministry of Foreign Affairs of Japan | 13 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|--|------------------------|-----------|--|---|
| | | | <p>August 1995 Cabinet Secretariat, Chief Cabinet Councilors' Office on External Affairs,</p> <p>January 1998 Ambassador Extraordinary and Plenipotentiary to India</p> <p>February 1998 Ambassador Extraordinary and Plenipotentiary to India and Bhutan</p> <p>September 2002 Ambassador Extraordinary and Plenipotentiary to France and Andorra</p> <p>January 2003 Ambassador Extraordinary and Plenipotentiary to</p> | |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|-----|-------------------------------------|--|--|---|
| | | | <p>France, Andorra and Djibouti</p> <p>June 2006 – April 2007 Ambassador in charge of Inspection, Ministry of Foreign Affairs of Japan</p> <p>April 2008 - Present Visiting Professor, Graduate School of Asia-Pacific Studies, Waseda University</p> <p>June 2007 – Present Outside Director of the Company</p> <p>Representation of other entities: President, The Japan-India Association</p> | |
| 10. | Takeshi SASAKI July 15, 1942 | Member, the Nomination Committee Member, the Compensation Committee | <p>April 1965 Graduate Assistant in the Faculty of Law, The University of Tokyo</p> | 10 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|--|------------------------|-----------|--|---|
| | | | <p>April 1968 Associate Professor in the Faculty of Law, The University of Tokyo</p> <p>November 1978 Professor in the Faculty of Law, The University of Tokyo</p> <p>April 1991 Professor in the Schools for Law and Politics, The University of Tokyo</p> <p>April 1998 Dean of the School for Law and Politics and Faculty of Law, The University of Tokyo</p> <p>April 2001 President, The University of Tokyo</p> | |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|-----|-------------------------------------|---|---|---|
| | | | <p>April 2005 - Present Professor in the Department of Political Studies in the Faculty of Law, Gakushuin University</p> <p>June 2007 – Present Outside Director of the Company</p> <p>Representation of other entities: President, The Association For Promoting Fair Elections President, National Land Afforestation Promotion Organization Chairman, Labo International Exchange Foundation</p> | |
| 11. | Ichiro TAI November 16, 1948 | Executive Officer Corporate Executive Vice President General Executive, Technology & Intellectual Property Group | <p>July 1976 Joined the Company</p> <p>June 2003 Executive Officer Corporate Vice President</p> | 42 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|-----|---|---|--|---|
| | | | <p>June 2007 Executive Officer Corporate Senior Vice President</p> <p>June 2008 – Present Executive Officer Corporate Executive Vice President</p> | |
| 12. | Yoshihiro MAEDA October 16, 1948 | <p>Executive Officer Corporate Executive Vice President Responsible for Consumer Electronics Group General Executive, Marketing Group</p> | <p>July 1971 Joined the Company</p> <p>April 2001 Executive Vice President, Digital Media Network Company of Toshiba Corporation</p> <p>June 2003 President and Chief Executive Officer, Toshiba TEC Corporation</p> | 25 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|-----|-------------------------------------|---|---|---|
| | | | June 2008 - Present Executive Officer Corporate Executive Vice President | |
| 13. | Hiroshi HORIOKA June 7, 1953 | General Manager, Human Resources And Administration Div. | April 1977 Joined Toshiba Corporation June 2003 Director, Shibaura Mechatronics Corporation April 2005 General Manager, HR & Administration Div., Industrial and Power Systems & Services Company of Toshiba Corporation April 2006 General Manager, Group Relations Div. June 2007-Present General Manager, Human Resources And | 12 |

| | Name and Date of Birth | Positions | Career highlights, Representation of other entities, etc | The number of the Company's shares held by the candidate (Thousands) |
|-----|------------------------------------|-----------|---|---|
| | | | Administration Div. | |
| 14. | Takeo KOSUGI March 23, 1942 | | April 1968 Osaka District Court, Associate Judge September 1972 Kushiro District & Family Court, Associate Judge May 1974 Registered as Private Practicing Attorney Representation of other entities: Partner, Law Office of Matsuo & Kosugi | 0 |

Note:

Directors, Messrs. Tadashi OKAMURA, Hisatsugu NONAKA, Toshiharu KOBAYASHI and Atsushi SHIMIZU will leave their offices at the conclusion of this General Meeting of Shareholders and will not be reelected.

- This space is intentionally left blank -

Third Proposal: Renewal of Countermeasures to Large-Scale Acquisitions of Shares in the Company (Takeover Defense Measures)

The effective period of the plan for countermeasures to large-scale acquisitions of the shares in the Company (the “Former Plan”) adopted upon approval at the 167th ordinary general meeting of shareholders of the Company held on June 27, 2006 will expire and become invalid at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the Board of Directors resolved at its meeting held on May 8, 2009 to renew the Former Plan with preserving the main part (that plan after renewal, the “Plan”) for a further three years. The Plan will be renewed after the shareholders’ approval has been obtained at the Ordinary General Meeting of Shareholders.

Major revisions to the Former Plan are as follows but there is no significant change to the substantive content of the Former Plan:

- (i) improvement in the transparency of the Plan by establishing the Special Committee and specifying members of the Special Committee in advance;
- (ii) establishment of the extension period under this Plan for the Special Committee Consideration Period (defined in the Plan) that was not set under the Former Plan to a maximum of 30 days, as a general rule;
- (iii) arrangement and clarification of requirements to hold the Shareholders’ Intent Confirmation Meeting (defined in the Plan); and
- (iv) necessary revisions in accordance with the enforcement of the Financial Instruments and Exchange Law and amendments to laws and ordinances following the introduction of the electronic share certificate system and amendments to other related laws and ordinances, and changes based on practical experiences and discussions by related parties including the legal community regarding takeover defense measures.

The Company therefore proposes to obtain the shareholders’ approval to renew the Plan.

1. Reason for Proposal

- (1) Outline of Basic Policy Regarding Persons Who Control Decisions on the

Company's Financial and Business Policies

The management vision of the Toshiba Group (“Group”) stresses the provision of products and services attuned to people’s aspirations and beneficial to society. Through this vision, we believe we will enhance our corporate value and achieve the common interests of our shareholders. In line with this philosophy, we make best efforts to enhance the efficiency and transparency of management and maximize corporate value from the viewpoints of our shareholders.

We create an environment in which individual employees can act and do well and work with enthusiasm, inheriting the passion and spirit of enquiry that inspired the inventiveness of Hisashige Tanaka, Toshiba’s founder. This is Toshiba’s corporate DNA, and it increases the overall strength of our organization. We believe that adherence to our vision is the very essence of the Company’s value. Further, in order for the Group to earn appropriate profit for return to our shareholders, and to achieve sustainable, continuous growth in the corporate value and common interests of shareholders over the medium-to long-term, we believe it is essential to maintain and develop a proper and good relationship with our shareholders and with other stakeholders, such as customers, business partners, vendors, employees and regional communities, and to give adequately consider the interests of these stakeholders.

The Group is one of Japan’s largest companies. The scope of the Group’s businesses is highly diversified, extending to Digital Products, Electronic Devices, Social Infrastructure, Home Appliances and others. Therefore, when we receive a proposal for acquisition of the Company’s shares, in order to make a suitable determination regarding the effect that such acquisition would have on our corporate value and the common interests of our shareholders, we believe it is necessary to gain an adequate understanding of (i) the feasibility, legality and appropriateness of the acquisition plan or business plan being proposed by the acquirer, (ii) the impact on the Company’s tangible and intangible management resources and our stakeholders, (iii) the potential effect of the measures in the future, (iv) the synergies that could potentially be achieved through a combination of business fields, (v) the current business condition of the Group, and (vi) other factors that constitute our corporate value and interests of our shareholders.

In light of the required considerations described above, the Company’s Board of

Directors believes that any party acquiring a large amount of the Company's shares, or making a proposal to do so, that does not contribute to protecting and enhancing the corporate value of the Company and the common interests of shareholders, is an inappropriate party to be in control of decisions about the financial and business policy of the Company.

(2) Purpose of the Plan

The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons viewed as inappropriate under the Basic Policy and to ensure and enhance the corporate value of the Company and the common interests of its shareholders, by setting out the procedures to be followed by an Acquirer (defined in (a) of 2(1) 'Procedures for Triggering the Plan') when an Acquisition of the shares in the Company (defined in (a) of 2(1) 'Procedures for Triggering the Plan') is made and ensuring that shareholders are provided with the necessary and adequate information and time to make an appropriate decision, and to secure the opportunity for the Company to negotiate with the acquirer.

2. Plan Details

(1) Procedures for Triggering the Plan

(a) Applicable Acquisitions

The Plan will be applied in cases where any purchase or other acquisition that falls under (i) or (ii) below or any similar action, or a proposal (Note 1) for such action (except for such action as the Board of Directors separately determines not to be subject to the Plan; the "Acquisition"), takes place.

- (i) A purchase or other acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*) (Note 2) of a holder (*hoyuusha*) (Note 3) amounting to 20% or more of the share certificates, etc. (*kabuken tou*) (Note 4) issued by the Company; or
- (ii) A tender offer (*koukai kaittsuke*) (Note 5) that would result in the party conducting the tender offer's ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*) (Note 6) and the ownership ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*) (Note 7) after the tender offer totaling at least 20% of the share

certificates, etc. (*kabuken tou*) (Note 8) issued by the Company.

A party effecting or proposing the Acquisition (collectively, the “Acquirer”) shall follow the procedures prescribed in the Plan beforehand, and the Acquirer must not effect an Acquisition until and unless the Board of Directors passes a resolution not to implement a gratis allotment of stock acquisition rights in accordance with the Plan.

(b) Establishment of Special Committee

After the Plan is renewed, the Board of Directors will elect the members of the Special Committee, one of whom is to act as the chairman of the Special Committee, in advance from outside directors who are independent from both the management of the Company that operates the Company’s business and the Acquirer in order to secure the objectivity and rationale of the Special Committee. There will be no less than three members of the Special Committee. Standards for electing members, requirements for resolutions, matters to be resolved, and other matters concerning the Special Committee are set out in the Outline of the Rules of the Special Committee in Note 9.

If the chairman or a member of the Special Committee is elected or changed, the Company will promptly notify the shareholders. (Note 10)

(c) Request to the Acquirer for the Provision of Information

The Company will require any Acquirer effecting an Acquisition to submit to the Company, in the form prescribed by the Company and written in Japanese, information required to examine the details of the Acquisition by the Acquirer as described in each item of Attachment (the “Essential Information”) and an undertaking that the Acquirer will, when carrying out the Acquisition, comply with the procedures established under the Plan (the “Acquisition Document”).

If the Special Committee determines that the Acquisition Document does not contain sufficient Essential Information, it may set a reasonable reply period and request directly or indirectly that the Acquirer provide additional Essential Information.

(d) Consideration of Acquisition Terms and Negotiation with the Acquirer

(i) Request to the Company’s Representative Executive Officers for the Provision of Information

If the Acquirer submits the Acquisition Document or additional Essential Information, the Special Committee will set a reply period in which the Company’s

representative executive officers must present an opinion (including an opinion to refrain from giving such opinion; hereinafter the same) on the Acquirer's Acquisition terms, materials supporting such opinion, an alternative proposal, and any other information or materials that the Special Committee considers necessary.

(ii) Special Committee Consideration

The Special Committee should consider the Acquisition terms, any alternative proposal presented by the Company's representative executive officers, collect information on materials such as the business plans from the Acquirer and the Company's representative executive officers and make a comparison thereof, and the like for a period of time that does not, as a general rule, exceed 60 days after the date on which the Special Committee receives the Acquisition Document containing sufficient Essential Information from the Acquirer. The Special Committee strives to understand the intent of shareholders and to listen to the opinions of the customers, business partners and employees as necessary. The Special Committee will consider the Acquisition terms to ensure the corporate value of the Company and the common interests of its shareholders (the period for information collection and consideration by the Special Committee is hereinafter referred to as the "Special Committee Consideration Period"). Further, if required in order to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Special Committee will directly or indirectly discuss and negotiate with the Acquirer. If the Special Committee requests the Acquirer to provide materials for consideration or any other information, or to hold discussions or negotiations with the Special Committee, the Acquirer must promptly respond to such request.

In order for the Special Committee's decision to contribute to ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders, the Special Committee may at the cost of the Company obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys, consultants or any other experts).

(e) Procedures for Judgment by the Special Committee

If an Acquirer emerges, the Special Committee will take the following procedures.

(i) Recommendations for the Triggering of the Plan by the Special Committee

If the Special Committee determines that the Acquisition falls under one of the requirements set out below at 2(2), 'Requirements for the Gratis Allotment of Stock Acquisition Rights' ("Trigger Event"), the Special Committee will recommend the implementation of the gratis allotment of stock acquisition rights (as detailed in 2(3) 'Outline of the Gratis Allotment of Stock Acquisition Rights'; the relevant stock acquisition rights hereinafter referred to as "Stock Acquisition Rights") to the Board of Directors. If it is concerned that an Acquisition does or may fall under one of the requirements set out below in 'Trigger Event (2)' of 2(2), 'Requirements for the Gratis Allotment of Stock Acquisition Rights' (the "Second Trigger Event"), the Special Committee may recommend to convene a meeting to confirm the shareholders' intent (the "Shareholders' Intent Confirmation Meeting") before implementing the gratis allotment of Stock Acquisition Rights to directly confirm the intent of the shareholders. (The Shareholders' Intent Confirmation Meeting may be different from general shareholders meetings (*kabunushi sokai*) under the Corporation Law, but the quorum of that meeting and other matters will be in compliance with the Corporation Law and the Company's articles of incorporation; hereinafter the same.)

Notwithstanding the foregoing paragraph, even after the Special Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Special Committee determines that either of the events (A) or (B) below applies, it may make a new recommendation that (i) (on or before the second business day prior to the ex-rights date with respect to the gratis allotment of Stock Acquisition Rights) the Company should suspend the gratis allotment of Stock Acquisition Rights, or (ii) (from the effective date of the gratis allotment of Stock Acquisition Rights and until the day immediately prior to the commencement date of the exercise period of the Stock Acquisition Rights) the Company should acquire the Stock Acquisition Rights for no consideration.

(A) The Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.

(B) There is no longer any Trigger Event due to a change or the like in the facts or other matters on which the recommendation decision was made.

(ii) Recommendations for the Non-Triggering of the Plan by the Special Committee

If the Special Committee determines there is no Trigger Event with respect to the Acquisition, the Special Committee will recommend not to implement the gratis allotment of Stock Acquisition Rights to the Board of Directors.

Notwithstanding the foregoing paragraph, even after the Special Committee has recommended not to implement the gratis allotment of Stock Acquisition Rights, if there is a change in the facts or other matters on which the recommendation decision was made and a Trigger Event arises, the Special Committee may make a new recommendation that the Company should implement the gratis allotment of Stock Acquisition Rights.

(iii) Extension of the Triggering of the Plan by the Special Committee

If the Special Committee is not able to make a recommendation for either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights by the conclusion of the initial Special Committee Consideration Period, the Special Committee may, to the extent that it is considered reasonably necessary for actions such as consideration of the terms of the Acquirer's Acquisition, consideration of an alternative proposal and consultation and negotiation with the Acquirer, resolve to extend the Special Committee Consideration Period, in principle up to 30 days.

(f) Resolutions of the Board of Directors

The Board of Directors will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights in accordance with any recommendation by the Special Committee described above. If the Shareholders' Intent Confirmation Meeting is convened in accordance with (g) below, the Board of Directors will pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights in accordance with any resolution by the Shareholders' Intent Confirmation Meeting.

(g) Convocation of the Shareholders' Intent Confirmation Meeting

In connection with implementation of the gratis allotment of the Stock Acquisition Rights pursuant to the Plan, the Board of Directors may convene the Shareholders' Intent Confirmation Meeting and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the Stock Acquisition Rights, if the Special Committee recommends the Shareholders' Intent Confirmation Meeting be convened before the implementation of the gratis allotment of

Stock Acquisition Rights to obtain direct approval at the Shareholders' Intent Confirmation Meeting in accordance with (e)(i) above.

(h) Information Disclosure

When operating the Plan, to enhance transparency, the Company will disclose in a timely manner information on matters that the Special Committee or the Board of Directors considers appropriate including the progress of each procedure set out in the Plan (including the fact that the Acquisition Document has been submitted and the Special Committee Consideration Period has commenced), the opinion of the Company's representative executive officers on the Acquisition, an outline of an alternative plan or an outline of recommendations made by the Special Committee, and an outline of resolutions by the board of directors and by the Shareholders' Intent Confirmation Meeting, in accordance with the applicable laws and ordinances or the regulations of the financial instruments exchanges.

(2) Requirements for the Gratis Allotment of Stock Acquisition Rights

The requirements to trigger the Plan to implement gratis allotment of Stock Acquisition Rights are as follows. As described above at 2(1), 'Procedures for Triggering the Plan,' the Board of Directors will make a determination as to whether any of the following requirements applies to an Acquisition for which a recommendation by the Special Committee has been obtained.

Trigger Event (1)

The Acquisition is not in compliance with the procedures prescribed in the Plan (including cases in which reasonable time and information necessary for shareholders to consider the details of the Acquisition or to be presented an alternative proposal is not sufficiently offered) and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

Trigger Event (2)

The Acquisition falls under any of the items below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights.

- (a) An Acquisition that threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through any of

the following actions:

- (i) A buyout of share certificates to require such share certificates to be compulsorily purchased by the Company or the Company's related parties at a high price.
 - (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company's management for the low-cost acquisition of the Company's material assets.
 - (iii) Diversion of the Company's assets to secure or repay debts of the Acquirer or its group company.
 - (iv) Temporary control of the Company's management to bring about the disposal of high-value assets that have no current relevance to the Company's business and declaring temporarily high dividends from the profits of the disposal, or selling the shares at a high price taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends.
- (b) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions, including tender offers, in which no offer is made to acquire all shares in the initial acquisition, and acquisition terms for the second stage are set that are unfavorable or unclear).
- (c) Acquisitions whose terms (including amount and type of consideration, the timeframe, the legality of the Acquisition method, the feasibility of the Acquisition being effected, post-Acquisition management policies and business plans, and post-Acquisition policies dealing with the Company's other shareholders, employees, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's corporate value.
- (3) Outline of the Gratis Allotment of Stock Acquisition Rights

Following is an outline of the gratis allotment of Stock Acquisition Rights scheduled to be implemented if the Plan is triggered.

(a) Number of Stock Acquisition Rights

The Company will allot Stock Acquisition Rights in the same number as the most recent total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) as of a certain date (the “Allotment Date”) that is determined in a resolution by the Board of Directors relating to the gratis allotment of Stock Acquisition Rights (“Gratis Allotment Resolution”).

(b) Shareholders Eligible for Allotment of Stock Acquisition Rights and Number of Stock Acquisition Rights to be Allotted

The Company will allot the Stock Acquisition Rights to those shareholders who are recorded in the Company’s most recent register of shareholders on the Allotment Date, at a ratio of one Stock Acquisition Right for each share in the Company held.

(c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The effective date of the gratis allotment of Stock Acquisition Rights will be determined by the Board of Directors in the Gratis Allotment Resolution.

(d) Number of Shares to be Acquired upon Exercise of the Stock Acquisition Rights

The number of shares to be acquired upon exercise of each Stock Acquisition Right (the “Applicable Number of Shares”) will be the number determined by the Board of Directors in the Gratis Allotment Resolution up to a maximum of one share.

(e) Amount to be Contributed upon Exercise of Stock Acquisition Rights

Contributions upon exercise of the Stock Acquisition Rights will be in cash, and the amount per share in the Company to be contributed upon exercise of the Stock Acquisition Rights will be an amount determined in the Gratis Allotment Resolution within the range of a minimum of one yen and a maximum of the amount equivalent to one-half of the fair market value of one share in the Company.

“Fair market value” means the average closing price for regular transactions of the common stock of the Company on the Tokyo Stock Exchange on each day during the 90 day period prior to the Gratis Allotment Resolution (excluding the days on which trades are not made), with any fraction of a yen after such calculation to be rounded up to the nearest whole yen.

(f) Exercise Period of the Stock Acquisition Rights

The exercise period of the Stock Acquisition Rights will, in principle, be a period from one month to six months long commencing on a date separately determined in the Gratis Allotment Resolution (the “Exercise Period Commencement Date”) and continuing until the date separately determined in the Gratis Allotment Resolution.

(g) Conditions for Exercise of Stock Acquisition Rights

Except where any exceptional event (Note 11) occurs, the following parties may not exercise the Stock Acquisition Rights (the parties falling under (I) through (VI) below are collectively referred to as “Non-Qualified Parties”):

- (I) Specified Large Holders; (Note 12)
- (II) Joint Holders (Note 13) of Specified Large Holders;
- (III) Specified Large Purchasers; (Note 14)
- (IV) Persons having a Special Relationship with Specified Large Purchasers;
- (V) Any transferee of, or successor to, the Stock Acquisition Rights of any party falling under (I) through (IV) without the approval of the Board of Directors; or
- (VI) Any Affiliated Party (Note 15) of any party falling under (I) through (V).

Further, nonresidents of Japan who are required to follow certain procedures under applicable foreign laws and ordinances to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (provided, however, that the Stock Acquisition Rights held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out below in (ii) of paragraph (i), ‘Acquisition of the Stock Acquisition Rights by the Company,’ subject to compliance with applicable laws and ordinances). In addition, anyone who fails to submit a written undertaking in the form prescribed by the Company and containing representations and warranties regarding matters such as the fact that he or she satisfies the exercise conditions of the Stock Acquisition Rights, indemnity clauses and other covenants may not exercise the Stock Acquisition Rights.

(h) Restriction on Assignment of Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires, as a

general rule, the approval of the Board of Directors.

(i) Acquisition of Stock Acquisition Rights by the Company

- (i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Board of Directors deems that it is appropriate for the Company to acquire the Stock Acquisition Rights, the Company may, on a day that falls on a date separately determined by the Board of Directors, acquire all of the Stock Acquisition Rights for no consideration.
- (ii) On a day that falls on a date separately determined by the Board of Directors, the Company may acquire all of the Stock Acquisition Rights that have not been exercised before or on the day immediately prior to such date determined by the Board of Directors, that are held by parties other than Non-Qualified Parties and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for each Stock Acquisition Right.

Further, if, on or after the date upon which the acquisition takes place, the Board of Directors recognizes the existence of any party holding Stock Acquisition Rights other than Non-Qualified Parties, the Company may, on a date determined by the Board of Directors after the date upon which the acquisition described above takes place, acquire any of the Stock Acquisition Rights held by that party that have not been exercised by or on the day immediately prior to such date determined by the Board of Directors and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for each Stock Acquisition Right. The same will apply thereafter.

(j) Delivery of Stock Acquisition Rights and its Terms and Conditions in Case of Merger, Absorption-type Demerger (*kyushu bunkatsu*), Incorporation-type Demerger (*shinsetsu bunkatsu*), Share Exchange (*kabushiki koukan*) and Share Transfer (*kabushiki iten*)

These matters will be determined by the Board of Directors in the Gratis Allotment Resolution.

(k) Other

In addition to the above, the details of the Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

(4) Effective Period, Abolition and Amendment of the Plan

The effective period of the Plan (the “Effective Period”) will be approximately three years commencing from the conclusion of this Ordinary General Meeting of Shareholders and continuing until the conclusion of the ordinary general meeting of shareholders relating to the fiscal year ending March 2012.

However, even before the expiration of the Effective Period, the Board of Directors may pass a resolution to abolish the Plan.

Further, the Plan refers to the prevailing laws, ordinances and rules of financial instruments exchanges as of May 8, 2009, and the Board of Directors may revise or amend the Plan even during the Effective Period of the Plan, if such revision or amendment is not against the purpose of a resolution at the Ordinary General Meeting of Shareholders such as cases where any law, ordinance, rules of a financial instruments exchange or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, or cases where such revision or amendment is not detrimental to the Company’s shareholders.

If the Plan is abolished, modified, amended or the like, the Company will promptly disclose the details and any other matters.

(5) Other Matters

The details of the Plan are available on the Company’s website:

http://www.toshiba.co.jp/about/ir/en/news/20090508_1.pdf

The Board of Directors may determine other details.

(Note 1) “Proposal” includes solicitation of a third party to perform an acquisition, purchase or similar act.

- (Note 2) Defined in Article 27-23(4) of the Financial Instruments and Exchange Law. This definition is applied throughout this Third Proposal.
- (Note 3) Including persons described as a holder under Article 27-23(3) of the Financial Instruments and Exchange Law (including persons who are deemed to fall under the above by the board of directors of the Company). The same is applied throughout this Third Proposal.
- (Note 4) Defined in Article 27-23(1) of the Financial Instruments and Exchange Law. The same is applied throughout this Third Proposal unless otherwise provided for.
- (Note 5) Defined in Article 27-2(6) of the Financial Instruments and Exchange Law. The same is applied throughout this Third Proposal.
- (Note 6) Defined in Article 27-2(8) of the Financial Instruments and Exchange Law. The same is applied throughout this Third Proposal.
- (Note 7) Defined in Article 27-2(7) of the Financial Instruments and Exchange Law (including persons who are deemed to fall under the above by the board of directors of the Company); provided, however, that persons provided for in Article 3(2) of the Cabinet Office Regulations concerning Disclosure of a Tender Offer by an Acquirer other than the Issuing Company are excluded from the persons described in Article 27-2(7)(i) of the Financial Instruments and Exchange Law. The same is applied throughout this Third Proposal.
- (Note 8) Defined in Article 27-2(1) of the Financial Instruments and Exchange Law.
- (Note 9) Outline of the Rules of the Special Committee is as follows.

- There will be no less than three members of the Special Committee and the Board of Directors will elect the members and the chairman from several outside directors of the Company, who are independent from the management that executes the business of the Company and an Acquirer.
- The term of office of members of the Special Committee will be until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within one year of their appointment. Unless otherwise determined by the Board of Directors, if a member is reappointed as a director at the ordinary general meeting of shareholders, the term of office will be until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within one year of their reappointment. The same will apply thereafter. Members of the Special Committee will retire from their office as a matter of course when they retire from the office

of outside director.

- The Special Committee will pass a resolution regarding (i) the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, (ii) the cancellation of the gratis allotment of Stock Acquisition Rights or the gratis acquisition of Stock Acquisition Rights, and (iii) any other matters that are for determination by the Board of Directors in respect to which it has consulted the Special Committee.
- Resolutions at meetings of the Special Committee will be passed with a two-thirds majority of attending members when a majority of the members of the Special Committee are in attendance.

(Note 10) The initial members and chairman of the Special Committee are expected to be Takeshi SASAKI (nominated chairman), Hiroshi HIRABAYASHI, and Takeo KOSUGI subject to approval of the Second Proposal regarding appointment of 14 Directors and this Third Proposal proposed at the Ordinary General Meeting of Shareholders. A detailed career summary of these persons is available on pages 21 to 28 of the reference material for the general meeting of shareholders for this Ordinary General Meeting of Shareholders.

(Note 11) Specifically, the Company intends to set out that an “exceptional event” means when (x) an Acquirer cancels or revokes an Acquisition, or promises that it will not conduct any subsequent Acquisition, after the Gratis Allotment Resolution and the Acquirer or other Non-Qualified Parties dispose of their shares in the Company through a securities firm appointed and authorized by the Company to do so and (y) the Acquirer’s shareholding ratio determined by the Board of Directors (when calculating the shareholding ratio, Non-Qualified Parties other than the Acquirer and its Joint Holders are deemed to be the Acquirer’s Joint Holders, and Stock Acquisition Rights held by Non-Qualified Parties, the conditions of which have not been satisfied, are excluded) (the “Non-Qualified Parties Shareholding Ratio”) falls below the lower of (i) the Non-Qualified Parties’ Shareholding Ratio before the Acquisition or (ii) 20%, the Acquirer or other Non-Qualified Parties who has made the disposal may exercise Stock Acquisition Rights to the extent that the number of shares to be issued or delivered upon exercise of the Stock Acquisition Rights is up to the number of shares disposed of and to the extent of the ratio in either (i) or (ii) above. Detailed conditions and procedures to exercise Stock Acquisition Rights by

Non-Qualified Parties will be determined separately by the Board of Directors.

(Note 12) “Specified Large Holder” means, in principle, a party who is a holder of share certificates, etc., issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is at least 20% (including any party who is deemed to fall under the above by the Board of Directors); provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the Company’s corporate value or the common interests of shareholders or a certain other party that the board of directors determines in the Gratis Allotment Resolution is not a Specified Large Holder. The same is applied throughout this Third Proposal.

(Note 13) “Joint Holders” means joint holders as defined in Article 27-23(5) of the Financial Instruments and Exchange Law, including any party deemed to be joint holders under Article 27-23(6) of the Financial Instruments and Exchange Law (including any persons who are deemed to fall under the above by the Board of Directors). The same is applied throughout this Third Proposal.

(Note 14) “Specified Large Purchaser” means, in principle, a person who makes a public announcement of purchase, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Law; the same is applied throughout this Note) of share certificates, etc., (as defined in Article 27-2(1) of the Financial Instruments and Exchange Law; the same is applied throughout this Note) issued by the Company through a tender offer and whose ratio of ownership of share certificates, etc., in respect of such share certificates, etc., owned by such person after such purchase, etc., (including similar ownership as prescribed in Article 7(1) of the Order of the Enforcement of the Financial Instruments and Exchange Law) is at least 20% when combined with the ratio of ownership of share certificates, etc., of a person having a special relationship (including any party who is deemed to fall under the above by the Board of Directors); provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the Company’s corporate value or the common interests of shareholders or certain other party that the Board of Directors determines in the Gratis Allotment Resolution is not a Specified Large Purchaser. The same is applied throughout this Third

Proposal.

(Note 15) An “Affiliated Party” of a given party means a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Board of Directors), or a party deemed by the Board of Directors to act in concert with such given party. “Control” means to “control the determination of the financial and business policies” (as defined in Article 3(3) of the Enforcement Regulations of the Corporation Law) of other corporations or entities.

- This space is intentionally left blank -

Attachment

Essential Information

- (i) Details (including the specific name, capital composition, financial condition, details of violations of laws or ordinances in the past (if any), and terms of previous transactions by the Acquirer similar to the Acquisition) of the Acquirer and its group (including joint holders, persons having a special relationship and persons having a special relationship with a person in relation to whom the Acquirer is the controlled corporation, etc. (Note 16)). (Note 17)
- (ii) The purpose, method and terms of the Acquisition (including information regarding the amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and the probability that the Acquisition will be effected).
- (iii) The price of and basis for the calculation of the price of the Acquisition.
- (iv) Financial support for the Acquisition (including the specific names of providers of the funds for the Acquisition (including all substantive fund providers), financing methods and the terms of any related transactions).
- (v) Post-Acquisition management policy, business plan, and capital and dividend management policies for the Group.
- (vi) Post-Acquisition policies dealing with the Company group's shareholders (excluding the Acquirer), employees, business partners, local communities, and other stakeholders in the Company.
- (vii) Regulations under Japanese or foreign law or ordinances, or similar regulations, that may apply to the Acquisition, and the details of and possibility of obtaining approval, permits and licenses under competition law or any other law or ordinance from the Japanese or a foreign government, or a third party.
- (viii) Any permit or license required in Japan or overseas for the management of the

Group after the Acquisition, the possibility of retaining those permits or licenses, and the possibility of complying with regulations such as the laws and ordinances of Japan or any applicable foreign country.

- (ix) Any other information that the Special Committee considers reasonably necessary.

(Note 16) Defined in Article 9(5) of Enforcement Regulation for the Financial Instruments and Exchange Law.

(Note 17) If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is required.

- This space is intentionally left blank -

Shareholder's Proposals (Fourth Proposal through Thirteen Proposal)

The Fourth through Thirteen Proposals were proposed by one shareholder.

The details of and reasons for Shareholder's Proposals are presented just as they were submitted by the proposing shareholder.

· Opinion of Board of Directors on the Shareholder's Proposals

The Board disagrees with all of the shareholder's proposals from the Fourth through the Thirteen Proposal.

All of the shareholder proposals suggest amendment of the Articles of Incorporation in order to set the limitation upon the discretion of the Board of Directors or the executive officers of the Company with respect to matters that should be otherwise decided by them. The Board believes that the directors and the executive officers of the Company have been properly addressing these matters according to the surrounding situation and the nature of each event, in compliance with the applicable laws and regulations, under the supervision of the board of directors, and the details of such matters have been disclosed in a timely and appropriate manner. The Board intends to continue these efforts in the future such that there should be no need to establish new provisions as proposed in the Articles of Incorporation.

Supplementary comments regarding the reasons for disagreement with each proposal are included below the statement for each Proposal.

Shareholder's Proposals:

Fourth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information concerning the facts in relation to illegal activities, etc.

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“The facts of any illegal activities that were made by Toshiba Corporation (its officers and employees) in the course of business, the preventive measures thereof and the responsibilities of the relevant officers shall be disclosed in detail on the websites of Toshiba Corporation. The disclosure shall include detailed information

concerning the collusion on bidding for the projects of the waterworks and sewerage bureau, etc., the test data falsification for water flow meters used in nuclear power generation, and the improper billing and unfair receipt of research labor expenses for the research commissioned by NEDO.

The collusion on bidding for the projects of the waterworks and sewerage bureau, etc. mentioned above refers to the collusion on bidding for Mie Prefecture's Waterworks and Sewerage Bureau's project, uncovered in 1995; the collusion on bidding for the postal code reading machines, which invited an order of eliminating collusion by the Fair Trade Commission in 1999; and the collusion on bidding for Sapporo City's Waterworks and Sewerage Bureau, uncovered in 2008. It is particularly worth noting that the collusions on bidding for the work procured by a waterworks and sewerage bureau was first revealed in 1995 and a punitive action was imposed, yet similar activities of collusion were repeated thereafter. With regard to the collusion on bidding for the work procured by Sapporo City's Waterworks and Sewerage Bureau, a shareholder had raised the question to the Company of whether the collusion occurred, in the ordinary general meeting of shareholders held in June 2008. In response, the Company said it would like to wait for the results of the investigation by the relevant administrative authorities; however, whether or not such collusion occurred should have been made clear if the Company had conducted an internal investigation on the personnel in charge and there should have been no need to wait for the results of the relevant administrative authorities' investigation. In addition, Toshiba was exempted from certain administrative sanction including fine to be imposed by admitting such collusion to the Fair Trade Commission prior to commencement of its investigation. This means that Toshiba concealed the facts of collusion to its shareholders in the general meetings of shareholders although the Company was aware of the facts of such collusion after its internal investigation at the time. The repetition of collusive bidding suggests that the preventive measures were insufficient.

The test data falsification for water flow meters used in nuclear power generation above means the test data falsification for water flow meters used in nuclear reactors which was caused by the employees in Keihin Product Operations in 2006. A series of falsified data were revealed by the investigation of the administrative authorities which was conducted after the Company's internal investigation. It may be perceived as though the Company had attempted to hide the falsified test data to the furthest extent possible. Concealment of illegal activities could not be avoided, as the preventive measures to prevent concealment were not sufficient.

The improper billing and unfair receipt of research labor expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO) means the following. To explain the background behind this issue of improper billing and unfair receipt of research labor expenses for the research commissioned by the NEDO which was uncovered at Toshiba in 1996: NEDO used to be an organization under control of the Ministry of Trade and Industry (NEDO is currently an independent governmental agency), having being operated by the national budget. Going forward, the research commissioned by NEDO mentioned above means the project for “Research and Development of Molten Carbonate Fuel Cell and Development of Molten Carbonate Fuel Cell Stack for 1,000kW Class Power Plant (Plant Manufacturing – Facilities for waste heat recovery)”. The research commissioned was handled mainly by Keihin Product Operations of the Energy System Group of Toshiba from 1985. The issue of improper billing and unfair receipt of research labor expenses had its beginning when certain managers in Keihin Product Operations prepared an instructional sheet on fabrication of daily reports in April 1995, who then instructed their subordinates to fabricate daily research labor reports for the year of 1994 based on this instructional sheet. Furthermore, these managers fabricated the daily reports by using the names of the employees who had refused to cooperate with the fabrication. In June 1995, by using the fabricated daily reports, they claimed excessive research labor expenses to NEDO and received the excessive amount of the expenses. The issues of improper billing and unfair receipt of research labor expenses was revealed at Keihin Product Operations in January 1996 and were reported to the person responsible, Yuichiro Isu, who was the General Manager of Keihin Product Operations. Yuichiro Isu did not rectify such improper billing and unfair receipt of the research expenses. Subsequently, in February 1996, it was reported to Tomohiko Sasaki, the General Executive of the Energy System Group (Corporate Senior Vice President), who was the supervisor of the senior organization overseeing Keihin Product Operations, and to Fumio Sato, President, as well as to Taizo Nishimuro, Corporate Executive Vice President, in June 1996—who were all responsible personnel at Toshiba. However, these responsible personnel failed to correct the unfair receipt of the expenses even after they were apprised of the problem. At the ordinary general meeting of shareholders in June 1999, a shareholder asked the question of whether the unfair acceptance of research labor expenses had been rectified or not. Mr. Nishimuro, the President, and Toshiki Miyamoto, the Corporate Senior Vice President, replied that the problem had been settled, as the employees who had engaged in illegal activities had been punished, and they declined to respond

to any further questions from the shareholders on this matter. Similar questions and answers were repeated between the Company and the shareholder[s] in the subsequent ordinary general meetings of shareholders (held in 2000 and 2001); Tadashi Okamura, the President, Kiyooki Shimagami, Corporate Executive Vice President, and Toshiyuki Oshima, Corporate Vice President, continued to respond that the issue of improper billing was finished with, having declined to accept further questions from shareholders on this matter. In June 2002, NEDO conducted an investigation at Keihin Products Operations regarding this problem. In the investigation, neither the instructional sheets for fabrication of the daily research labor reports nor the daily research labor reports before fabrication were found; it appeared as if those reports had been destroyed prior to the investigation. The mass media reported on improper billing and unfair acceptance of research labor expenses by Toshiba in July 2002, when NEDO had decided to (i) require Toshiba to make a refund of the research labor expenses, (ii) suspend new agreements with Toshiba for commissioned research for three years, and (iii) suspend the monetary grants to Toshiba for three years, due to such improper billing and unfair receipt of research labor expenses by Toshiba. Although the billing of research labor expenses backed by the falsified daily research labor reports constituted criminal fraud, it did not develop into a criminal case because of the statute of limitations. As Toshiba had concealed this issue for approximately six years—from when it found the problem internally in 1996 up to when NEDO's investigation took place in 2002—it led to the expiration of the statute of limitations. It could be presumed that the fact that Toshiba kept giving untrue answers to the effect that the issue of unfair receipt of research labor expenses was rectified, despite there being no such action to correct the situation, was because they were stalling in order to reach the statute of limitations for criminal case and to prevent the chance for charges to be brought against the officers involved. It is against the laws to repeat the false answers in the general meeting of shareholders without correcting the unfair receipt of the research labor expenses.

The Company declined to provide answers to the questions from shareholders regarding the said unfair billing and receipt issue, by saying that the question was not relevant to the agenda of the meeting, or that it was an old issue that had happened in the past, or that the Company had already provided explanations to it. Toshiba concealed the facts of improper billing and unfair receipt of research labor expenses for six years from 1996. The Company neither disclosed any detailed facts nor explained the responsibilities of the officers of the Company when this issue was raised by a shareholder in the general meetings of shareholders in 2002 and thereafter.

More specifically, which officer was responsible for the decisions made and the actual concealment of unfair receipt has not been clarified: who decided to conceal the fact of unfair receipt of research labor expenses without rectifying after it was uncovered at Toshiba in 1996? Is it Fumio Sato, President, or Nishimuro, President, or some other officer? Who actually brought the decision into action: was it Mr. Sasaki, Corporate Senior Vice President, or Toshiki Miyamoto, Corporate Senior Vice President, or Toshiyuki Oshima, Corporate Vice President, or some other officer? The responsibilities of the officers involved (Fumio Sato, President; Nishimuro, President; Okamura, President; Shimagami, Corporate Executive Vice President; Tomohiko Sasaki, Corporate Senior Vice President; Toshiki Miyamoto, Corporate Senior Vice President; Toshiyuki Oshima, Corporate Vice President; etc.) have not been clarified. Why is it that all of the officers (including outside directors) failed to take any preventive action against this even after they learned of it during the general meeting of shareholders in 1999, when the issue of unfair receipt of research labor expenses was put forth? Whether these officers are not liable to the failure to perform their duty of care? Furthermore, the facts that the relevant managers prepared the instructional sheet for fabrication of the daily research labor reports, had their subordinates fabricate the reports accordingly, and then billed the research labor expenses improperly according to the falsified reports, are organizational fraudulent activities: why did they hide these facts? Going forward, the managers involved in this issue were also in charge of the research commissioned in years other than the years in question as well as commissioned research other than the research involved in the revealed unfair billing. It is questionable whether the possibility of similar fraudulent activities for other commissioned researches has been thoroughly investigated. These kinds of long-term concealment of fraudulent activities should have been prevented, had the detailed facts of such fraudulent activities been properly disclosed to shareholders.”

2. Reasons for Proposal

With respect to the illegal activities performed by Toshiba (its officers and employees), similar actions have been repeatedly observed. Furthermore, the illegal activities were concealed for rather a long time. One of the causes for such repetition or concealment is presumed to be a lack of sufficient disclosure of the detailed facts, the details of preventive measures, and the responsibility, etc. of those illegal activities to shareholders. Shareholders have no clue to confirm whether the

preventive measures are satisfactory or to judge whether the officers took appropriate responsibility unless the information is fully disclosed. As a result, the Company may continue its operation without sufficient preventive measures, without sufficiently reflecting on the lesson. This may lead to a repetition of illegal activities and to concealment thereof for a long time.

As indicated in the provision above, if detailed facts, details of preventive measures, and the responsibility of the officers involved, etc. are to be disclosed to shareholders, with respect to the illegal activities performed as a part of the corporate activities of Toshiba (its officers and employees), the chances of repeating or concealing illegal activities would be lessened.

· **Dissenting opinion of Board of Directors on the Fourth Proposal (supplementary comments)**

Whenever any event of the Company which leads to the violation of the laws has occurred, the Company has been imposing punitive measures to the relevant persons as well as taking preventative measures to ensure compliance with the law, endeavoring to eliminate any chance of illegal activities, and to recover confidence in the Company. Furthermore, the Company intends to disclose the information of those events, if happened, in an appropriate and timely manner. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Fifth Proposal: Amendments to the Articles of Incorporation regarding exercise of voting rights in the general meeting of shareholders

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“The Company’s proposals and its shareholder’s proposals shall be treated equally with respect to exercise of voting rights in the general meeting of shareholders. In cases where a shareholder does not vote for or against the proposal when exercising his/her voting rights in the Voting Rights Exercise Form, it should be treated as an objection (voting against) regardless of whether such proposal is made by the Company or its shareholder. In addition, exercise of voting rights through the Internet shall be treated as the same as that through the Voting Rights Exercise Form.”

2. Reasons for Proposal

With regard to exercise of voting rights through the Voting Rights Exercise Form in the general meeting of shareholders, if a shareholder does not vote for or against in the said form, it is currently treated as support if the proposal is made by the Company, whereas it is treated as an objection (voting against) if the proposal is made by its shareholder. This is an unfair, discriminatory treatment against the shareholder's proposals. This can also be considered as an act of disrespecting shareholders' rights. The shareholder's proposals must be treated as equally as those by the Company. Moreover, if a shareholder does not vote for or against in the Voting Rights Exercise Form, such needs to be treated as an objection to the proposal. If a shareholder truly supports the proposal, he/she should express his/her support in a more proactive manner. The intent of the shareholder would be better reflected if the voting is treated as objection (against) in the cases where no expression of for or against was made so that the result is unfavorable to the proposer.

· Dissenting opinion of Board of Directors on the Fifth Proposal (supplementary comments)

The Company is legally permitted to determine in advance the treatment of the voting rights when shareholders do not vote for or against in exercising their voting rights through the Voting Rights Exercise Form or the Internet, and may describe such treatment in the Voting Rights Exercise Form, etc. This is clearly lawful as well as the most common and reasonable practice for listed companies who have a number of shareholders. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Sixth Proposal: Amendments to the Articles of Incorporation regarding disclosure of the details of sanction imposed on the officers (the directors and the executive officers)

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“With respect to those the officers (the directors and the executive officers who

were imposed on the sanction by the Company, the details of items (i) through (iv) below shall be disclosed for each individual director and executive officer for each fiscal year so that the shareholders can review and copy the information at Toshiba's headquarters. The information will also be disclosed in the business report annexed to the convocation notice for the ordinary general meeting of shareholders scheduled to be held in June 2010.

(i) Details of the sanctions;

(ii) Reasons for the sanctions;

(iii) Specific details of the services conducted by the directors or the executive officers and;

(iv) Remuneration received by the directors or the executive officers.

The disclosure shall include detailed information on the sanctions imposed on the officers in relation to the collusion on bidding for the projects of the waterworks and sewerage bureaus, etc., the test data falsification for water flow meters used in nuclear power generation, and the improper billing and unfair receipt of research labor expenses for the research commissioned by NEDO.

The collusion on bidding for the projects of the waterworks and sewerage bureau, etc. mentioned above refers to the collusion on bidding for Mie Prefecture's Waterworks and Sewerage Bureau's project, uncovered in 1995; the collusion on bidding for the postal code reading machines, which invited an order of eliminating collusion by the Fair Trade Commission in 1999; and the collusion on bidding for Sapporo City's Waterworks and Sewerage Bureau, uncovered in 2008. It is particularly worth noting that the collusion on bidding for the work procured by a waterworks and sewerage bureau was first revealed in 1995 and a punitive action was imposed, yet similar activities of collusion were repeated thereafter. With regard to the collusion on bidding for the work procured by Sapporo City's Waterworks and Sewerage Bureau, a shareholder had raised the question to the Company of whether the collusion occurred, in the ordinary general meeting of shareholders held in June 2008. In response, the Company said it would like to wait for the results of the investigation by the relevant administrative authorities; however, whether or not such collusion occurred should have been made clear if the Company had conducted internal investigation on the personnel in charge and there should have been no need to wait for the results of the relevant authorities investigation. In addition, Toshiba was exempted from certain administrative sanction including fine to be imposed by admitting such collusion to the Fair Trade Commission prior to commencement of its

investigation. This means that Toshiba concealed the facts of collusion to its shareholders in the general meetings of shareholders although the Company was aware of the facts of such collusion after its internal investigation at the time. The details of the punitive actions taken against the relevant officers in relation to these issues of collusive bidding have not been disclosed.

The test data falsification for water flow meters used in nuclear power generation above means the test data falsification for water flow meters used in nuclear reactors which was caused by the employees in Keihin Product Operations in 2006. A series of falsified data were revealed by the investigation of the administrative authorities which was conducted after the Company's internal investigation. It may be perceived as if the Company attempted to hide the falsified test data to the furthest extent possible. The disclosure of the information concerning punitive actions taken against the officers in relation to the problem of falsified data and concealment is not sufficient.

The improper billing and unfair receipt of research labor expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO) means the following. It is the improper billing and unfair receipt of research labor expenses for the research commissioned by the NEDO which was uncovered at Toshiba in 1996; NEDO used to be an organization under control of the Ministry of Trade and Industry (NEDO is currently an independent governmental agency), having being operated by the national budget. Going forward, the research commissioned by NEDO mentioned above means the project for "Research and Development of Molten Carbonate Fuel Cell and Development of Molten Carbonate Fuel Cell Stack for 1,000kW Class Power Plant (Plant Manufacturing – Facilities for waste heat recovery)". The research commissioned was mainly handled by Keihin Product Operations of Energy System Group of Toshiba from 1985. The issue of improper billing and unfair receipt of research labor expenses had its beginning when certain managers in Keihin Product Operations prepared an instructional sheet on fabrication of daily reports in April 1995, who then instructed their subordinate employees to fabricate the daily research labor reports for the year of 1994 based on this instructional sheet. Furthermore, these managers fabricated the daily reports by using the names of the employees who had refused to cooperate with the fabrication. In June 1995, by using the fabricated daily reports, they claimed excessive research labor expenses to NEDO and received the excessive amount of the expenses. The issues of improper billing and unfair receipt of research labor expenses was revealed at Keihin Product Operations in January 1996 and were reported to the person

responsible, Yuichiro Isu, who was the General Manager of Keihin Product Operations. Yuichiro Isu did not rectify such improper billing and unfair receipt of the research expenses. Subsequently, it was reported to Tomohiko Sasaki, the General Executive of the Energy System Group (Corporate Senior Vice President), who was in charge of the higher division overseeing Keihin Product Operations, in February 1996, and to Fumio Sato, President, as well as to Taizo Nishimuro, Corporate Executive Vice President, in June 1996—who were all personnel responsible at Toshiba. However, these responsible personnel failed to correct the unfair receipt of the expenses even after they were apprised of the problem. At the ordinary general meeting of shareholders in June 1999, a shareholder asked the question of whether the unfair acceptance of research labor expenses had been rectified or not. Mr. Nishimuro, the President, and Toshiki Miyamoto, the Corporate Senior Vice President, replied that the problem had been settled, as the employees who had engaged in illegal activities had been punished, and they declined to respond to any further questions from the shareholders on this matter. Similar questions and answers were repeated between the Company and the shareholder[s] in the subsequent ordinary general meetings of shareholders (held in 2000 and 2001); Tadashi Okamura, the President, Kiyooki Shimagami, Corporate Executive Vice President, and Toshiyuki Oshima, Corporate Vice President continued to respond that the improper billing was finished with, having declined to accept further questions from shareholders on this matter. In June 2002, NEDO conducted an investigation at Keihin Products Operations regarding this problem. In the investigation, neither the instructional sheets for fabrication of the daily research labor reports nor the daily research labor reports before fabrication were found; it appeared as if those reports had been destroyed prior to the investigation; however, the then personnel in charge have copies of those reports. The mass media reported on improper billing and unfair acceptance of research labor expenses by Toshiba in July 2002, when NEDO had decided to (i) require Toshiba to make a refund of the research labor expenses, (ii) suspend new agreements with Toshiba for commissioned research for three years, and (iii) suspend the monetary grants to Toshiba for three years, due to such improper billing and unfair receipt of research labor expenses by Toshiba. Although the billing of research labor expenses backed by the falsified daily research labor reports constituted criminal fraud, it did not develop into a criminal case because of the statute of limitations. As Toshiba had concealed this issue for approximately six years—from when it found the problem internally in 1996 up to when the investigation of NEDO took place in 2002—it led to the expiration of the statute of limitations. It could be presumed that

the fact that Toshiba kept giving untrue answers to the effect that the unfair receipt of research labor expenses was rectified, despite there being no such action to correct the situation, was because they were stalling in order to reach the statute of limitations for criminal case and to prevent the chance for charges to be brought against the officers involved. It is against the laws to repeat the false answers in the general meeting of shareholders without correcting the unfair receipt of the research labor expenses.

The Company declined to provide answers to the questions from shareholders regarding the said unfair billing and receipt issue, by saying that the question was not relevant to the agenda of the meeting, or that it was an old issue that had happened in the past, or that the Company had already provided explanations to it. Toshiba concealed the facts of improper billing and unfair receipt of research labor expenses for six years from 1996. The Company neither disclosed any detailed facts nor explained the responsibilities of the officers of the Company when this issue was raised by a shareholder in the general meetings of shareholders in 2002 and thereafter. More specifically, which officer was responsible for the decision made and the actual concealment of unfair receipt has not been clarified: who decided to conceal the fact of unfair receipt of research labor expenses without rectifying after it was uncovered at Toshiba in 1996? Is it Fumio Sato, President, or Nishimuro, President, or some other officer? Who actually brought the decision into action: was it Mr. Sasaki, Corporate Senior Vice President, or Toshiki Miyamoto, Corporate Senior Vice President, or Toshiyuki Oshima, Corporate Vice President, or some other officer? The responsibilities of the officers involved (Fumio Sato, President; Nishimuro, President; Okamura, President; Shimagami, Corporate Executive Vice President; Tomohiko Sasaki, Corporate Senior Vice President; Toshiki Miyamoto, Corporate Senior Vice President; Toshiyuki Oshima, Corporate Vice President; etc.) have not been clarified. Why is it that all of the officers (including outside directors) failed to take any preventive action against this even after they learned of it during the general meeting of shareholders in 1999, when the unfair receipt of research labor expenses was put forth? Whether these officers are not liable to the failure to perform their duty of care? Furthermore, the facts that the relevant managers prepared the instructional sheet for fabrication of the daily research labor reports and had their subordinates fabricate the reports accordingly, and then billed the research labor expenses improperly according to the falsified reports, are organizational fraudulent activities: why did they hide these facts? Going forward, the managers involved in this issue were also in charge of the research commissioned in years other than the years in question as well as commissioned research other than the research involved in the revealed unfair billing.

It is questionable whether the possibility of similar fraudulent activities for other commissioned researches has been thoroughly investigated. Were these facts concealed by the order of the officers? The details of the punitive actions, etc against the relevant officers in relation to the improper billing and unfair receipt have not been disclosed and thus are necessary to be disclosed.”

2. Reasons for Proposal

Illegal or improper activities might be committed and continued by the wrong orders given by officers (the directors and the executive officers). Illegal or improper activities might also be committed and continued because the officers (the directors and the executive officers) failed to manage or supervise the subordinated employees appropriately. A number of illegal or improper activities at Toshiba were reported by the mass media, yet Toshiba has not disclosed the details of the sanctions imposed on the officers (directors and the executive officers), etc. How the officers (the directors and the executive officers) became involved in such illegal or improper activities and what kind of sanctions were imposed on them has not been clarified. The details of the sanctions on the officers (the directors and the executive officers) need to be disclosed, in respect of election of the directors of the Company and for the purpose of making proper judgment on whether the remunerations and retirement benefits for the officers (the directors and the executive officers) are appropriate. In addition, such disclosure is essential as it will call on the officers (the directors and the executive officers) involved in the illegal or improper activities to reflect on their past activities.

· **Dissenting opinion of Board of Directors on the Sixth Proposal (supplementary comments)**

Whenever the Company imposed sanctions on the relevant persons as a result of an occurrence of an event that leads to the violation of the laws and regulations, the details of such sanctions will be disclosed in an appropriate and timely manner if necessary. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder’s Proposal:

Seventh Proposal: Amendments to the Articles of Incorporation regarding disclosure of the facts of improper billing and unfair receipt of the research labor

expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO)

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“In regards to the issue of improper billing and unfair receipt of labor research expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO) uncovered at Toshiba in January 1996, the issue was concealed without rectifying unfair receipt of research labor expenses until a request for refund was received from NEDO in July 2002, though Fumio Sato, President, and the other relevant officers including Taizo Nishimuro, Executive Vice President, were aware of those issues no later than June 1996. At ordinary general meetings of shareholders from 1999, a shareholder had asked whether the improper billing had been rectified; however, Taizo Nishimuro, President, Toshiki Miyamoto, Corporate Senior Vice President, Tadashi Okamura, President, Kiyooki Shimagami, Executive Vice President, and Toshiyuki Oshima, Corporate Vice President, continued to respond that the issue was finished with and concealed the issue without rectifying unfair receipt. The detailed facts of this issue shall be disclosed on Toshiba’s website.

The details of the damages incurred due to the acceptance of the disposition of a three-year suspension to the new agreement for the research commissioned by NEDO and for a three-year suspension of monetary grants, and the details of expenses relating to the issue of unfairly received expenses shall be also disclosed on Toshiba’s website.

In addition, the detailed information of how the research labor expenses were improperly billed and received with the fabricated daily reports of research labor shall be disclosed on the websites of Toshiba.

In the process of the disclosure, the detailed facts shall be specifically disclosed in such a way as to let it be understood how the chairman, president, and other officers gave instructions and commands in relation to the concealment of the issue of improper billing and who took on what responsibility.”

2. Reasons for Proposal

As indicated in the above Proposal, the issue of improper billing and unfair receipt of research labor expenses for the research commissioned by NEDO has been

concealed for a long time without having been rectified. This is a systematic fraud practiced by the president, the officers, and the employees of the Company. Disclosing the detailed facts of the issue should call on the parties involved including the president and the other relevant officers and employees to reflect on their activities and further serve to help prevent reoccurrence of similar illegal activities. Moreover, disclosure of the responsibility of the officers involved in the illegal activities and of the amount of damage caused at Toshiba as a result of this problem is necessary when shareholders are to bring a derivative lawsuit against the officers involved in such activities.

Furthermore, the name(s) of the employee(s) who declined to cooperate with fabrication of the daily research labor reports were used in preparing such reports by having their forged seals placed thereon, against the intention of such employees, without rectifying the problem. This is an act of infringing human rights. Disclosure of the detailed facts of this is necessary for correction of the human rights infringement and prevention of reoccurrence thereof.

· **Dissenting opinion of Board of Directors on the Seventh Proposal (supplementary comments)**

The proposal relates to the issue which occurred in the fiscal year 1994 and has already been settled in 2002. The Company has already explained the details in the ordinary general meetings of shareholders for the 164th fiscal year held in June 2003 and for the 169th fiscal period held in June 2008. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Eighth Proposal: Amendments to the Articles of Incorporation regarding disclosure of personalized information of each director and executive officer of the Company

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“The details of items (i) through (iii) below shall be disclosed for each individual director and executive officer for each fiscal year on the websites of Toshiba:

(i) Specific details and outcome of the services conducted by the director or the

executive officer;

- (ii) Amount of remuneration received by the director or the executive officer; and
- (iii) Expenses incurred to retain the director or the executive officer.”

2. Reasons for Proposal

In recent years, Toshiba Corporation has undergone extensive restructuring due to poor business results. Employees were forced into early retirement, transfer or secondment to the affiliated companies, and their job categories were changed. Further, a performance-based compensation system was introduced, and remuneration for each fiscal year and future retirement benefits fluctuated greatly based on the achievement of each employee. Additionally, unpaid overtime working has been increased and the Company was instructed by the labor standards inspection office to rectify that situation. The shareholders have been also burdened with reduced or no dividends as well as decline in the stock price, etc. However, the correlation between the results of the directors and the executive officers who manage the Company's business and their remuneration is unclear. The directors are elected by the resolution of the shareholders meeting, and therefore the correlation between the results of directors and their remuneration need to be individually disclosed to the shareholders so that the shareholders can observe whether the correlation is appropriate. The executive officers are deemed to be the same as directors, as they are the candidates of the directors in the future. The information concerning directors and the executive officers in the report annexed to the convocation notice for the ordinary general meeting of shareholders is insufficient.

· **Dissenting opinion of Board of Directors on the Eighth Proposal (supplementary comments)**

Performance of duties by the directors and the executive officers and responsibilities they have are disclosed in the attached Report for the 170th Fiscal Year, “1. Business Environment and Results of the Group” and “7. Names, Responsibilities, etc. of the Company's Directors / Officers” respectively, and the amount of remuneration and other compensation received by the directors and the executive officers is disclosed in “8.(2) Amount of Compensation” of the same report. The Board considers it important to shareholders and enough that the total amount of remuneration and other compensation is disclosed as a management expense.

Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal

Ninth Proposal: Amendments to the Articles of Incorporation regarding personalized disclosure of information of each advisor to the board, advisor and *shayu* of the Company.

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“The details of items (i) through (iv) below shall be disclosed for each individual advisor, advisor to the board and *shayu* (retired executive) for each fiscal year on the websites of Toshiba:

- (i) Specific reason for appointing each advisor, advisor to the board or *shayu*;
- (ii) Specific details and outcome of the services conducted by each advisor, advisor to the board or *shayu*;
- (iii) Amount of remuneration received by each advisor, advisor to the board or *shayu*; and
- (iv) Expenses incurred to employ each advisor, advisor to the board or *shayu*.”

2. Reasons for Proposal

Most of the information regarding the advisors, the advisors to the board and the *shayu* has not been disclosed to the shareholders. It is doubtful whether the positions of advisor, advisor to the board and *shayu* are necessary. In addition, most of the advisors, the advisors to the board, and the *shayu* seem to be either ex-directors or ex-executive officers. It is also expected that they wouldn't mind providing useful advice to Toshiba, whether or not they were assigned to the positions of advisors or others.

The restructuring of these positions also considered to be necessary. Information regarding such positions should be disclosed as an element in considering such restructuring.

· **Dissenting opinion of Board of Directors on the Ninth Proposal**

(supplementary comments)

The advisors, the advisors to the board and the *shayu* of the Company give valuable advice and other services to the Company's management through their extensive experience, and since their treatment is determined after taking into consideration the treatment of the officers and the employees, the Company does not consider such treatment of the advisors, the advisors to the board and the *shayu* to be excessive. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Tenth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information concerning employees who entered the Company from the ministry or agency of the government or other public organizations

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

"The number and title of employees who entered the Company from a ministry or agency of the government, or other public organizations shall be disclosed for each public organization and fiscal year on Toshiba's website. In addition, the volume of orders from public organizations shall also be disclosed for each public organization and fiscal year on Toshiba's website."

2. Reasons for Proposal

The number of retired public officials taken on from public organizations, the number of the officers appointed, and the volume of orders from public institutions is a social concern. In addition, Toshiba was reported to have involved in the collusive bidding in government agency projects (e.g. collusive biddings for the project procured by the waterworks and sewerage bureau; postal code reading machines; etc.). The information regarding retired public officials taken on from public institutions should be disclosed to the shareholders from the standpoint of preventing improper transactions such as collusive bidding.

On the other hand, disclosure of information concerning personnel having public post backgrounds is not relevant to the act of recruiting those personnel by the Board

of Directors, etc., nor does it limit such recruiting activities. People may reasonably speculate that the reason why the Board of Directors opposes disclosure of such information is because they would like to conceal the relationship between the number of personnel hired from public organizations and the volume of orders from those institutions or because they do not want to lose their option of becoming involved in the collusive bidding for public organizations initiatives.

· **Dissenting opinion of Board of Directors on the Tenth Proposal
(supplementary comments)**

The personnel from outside the Company are employed in an appropriate manner, based on their performance and insights in view of their personality, and people from public services are assigned to departments other than the sales department. Consequently, the Board believes there is no need to establish new provision as proposed in the Articles of Incorporation.

Shareholder's Proposal:

Eleventh Proposal: Amendments to the Articles of Incorporation regarding establishment of a new committee for the purpose of discovering and preventing the illegal and/or improper activities

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“A new committee shall be established for the purpose of discovering the details of the illegal and/or fraudulent activities committed by Toshiba in the past and of considering and preparing the preventative measures thereof. This committee shall be comprised of the following fifteen persons as members.”

Seigo WATANABE (Manager at Keihin Product Operations (*1));

Yoshio KOYAMA (Manager at Keihin Product Operations (*1));

Jiro OZONO (Senior Manager at Keihin Product Operations (*1));

Masataka SHINTANI (Chief Specialist at Keihin Product Operations (*1));

Yuichiro ISU (General Manager of Keihin Product Operations (*1));

Kazuo TANIGAWA (Joined the Company in 1972; Senior Manager at Keihin Product Operations (*1));

Koichi HATANO (Manager at Keihin Product Operations (*1));

Yoshiaki MIKI (Manager at Keihin Product Operations (*2));

Tomohiko SASAKI, (Joined the Company in 1960; General Executive of Energy System Group (*1));

Toshiki MIYAMOTO (Corporate Senior Vice President (*2));

Toshiyuki OSHIMA (Corporate Vice President (*3));

Fumio SATO (President (*1));

Taizo NISHIMURO (Joined the Company in 1961; Corporate Executive Vice President (*1));

Tadashi OKAMURA (Joined the Company in 1962; President (*3)); and

Kiyooki SHIMAGAMI (Joined the Company in 1961; Corporate Executive Vice President (*3)).

The years and the titles in the brackets above represent the year when the person joined the Company and the title held at the Company respectively.

(*1) Title in 1996; (*2) Title in 1999; (*3) Title in 2000”

2. Reasons for Proposal

Corporate activities should be done in compliance with laws. The mass media in the past reported that Toshiba had committed illegal activities several times. Even after the officers (the directors and the executive officers had become aware of the illegal activities of the employees, they concealed such for a long time without rectifying the situation. For example, with regard to the issue of collusive bidding for a waterworks and sewerage bureau project and the issue of improper billing and unfair receipt of the research labor expenses for the research commissioned by the New Energy and Industrial Technology Development Organization (NEDO), the officers did not comply the laws and concealed the illegal activities for a long time. The corporate auditors and the audit committee were not effectively functioning to correct those activities. In light of this situation, in addition to the existing audit committee, it is necessary to establish a new independent committee comprised of members elected by shareholders in order to clarify the facts and prevent reoccurrence of illegal or improper activities. Furthermore, the above fifteen personnel have experience in addressing the issue of improper billing and unfair receipt of the research labor expenses for the research commissioned by NEDO. They also have

extensive work experience at Toshiba as employees thereof. Accordingly, they are deemed qualified as the members of the said committee.

· **Dissenting opinion of Board of Directors on the Eleventh Proposal (supplementary comments)**

Whenever any violation of laws or ordinances has been identified at the Company, a committee shall be established for the purpose of investigation if necessary, and the Company shall promptly investigate the cause and take preventative measures to ensure compliance with laws. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Twelfth Proposal: Amendments to the Articles of Incorporation regarding semiconductor business of the Company

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“Semiconductor production shall be outsourced and the Company in turn will not make any new capital expenditure for semiconductor production.”

2. Reasons for Proposal

Establishment and/or expansion of the semiconductor production facilities requires a substantial amount of capital expenditure due to the development and improvement of semiconductor products. The business is profitable if the increased number of semiconductors which are produced at the expanded production facilities, should continue to be sold at high prices. Nevertheless, the business would not produce profit if the prices of semiconductors fell, or the volume of sales declines or the inventory increases due to excess production or decrease in demands, etc. The semiconductor business has made a large amount of loss in recent years. This is a high-risk, high-return type of business. It is too risky if Toshiba continues production of semiconductors by itself in the future as well. The business of semiconductor production should be spun off from Toshiba. Toshiba should suspend capital expenditure for semiconductor production facilities even if it continues the research and development of semiconductor. Although the directors and the executive

directors consider and decide whether to continue, expand or reduce the business, I proposed this because the disclosure of the information concerning the directors and the executive officers is not sufficient, and the loss incurred from the semiconductor business has been significantly deteriorating the financial performance of Toshiba.

· **Dissenting opinion of Board of Directors on the Twelfth Proposal (supplementary comments)**

The Company basically operates designing and production in the pre-process by itself; however, the Company aims to establish an optimal production structure for other processes, by deliberately taking into account the available capital and resources including external resources. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.

Shareholder's Proposal:

Thirteenth Proposal: Amendments to the Articles of Incorporation regarding conditions of employment for temporary employees

1. Details of Proposal

Establish the following provision in the Articles of Incorporation:

“The wage of temporary employees shall be increased to at least match with that of permanent employees whose work is the same.”

2. Reasons for Proposal

Toshiba is treating temporary employees as if they were the “safety valves” for permanent employees. The wages of temporary employees are much lower than those of permanent employees even if they do the same work. In addition, temporary employees will not be paid any retirement benefits or get paid only a small amount, if any. Furthermore, the welfare expenses for temporary employees are much lower than those for permanent employees. As such, through employment of temporary employees, Toshiba has expanded its valuable workforce significantly with small costs and is able to adjust labor more easily. However, the existing employment system is disadvantageous to and quite strict for the temporary employees. This kind of employment system has become an object of public concern. If Toshiba aims to realize the motto of “Committed to People”, at least it needs to increase the wages of

temporary employees. The amounts equivalent to the welfare expenses and retirement benefits, which are not paid today, need to be paid in addition to the current wages. Consequently, as one idea, increase of temporary employees' wage to at least match with that of permanent employees is proposed.

· **Dissenting opinion of Board of Directors on the Thirteenth Proposal (supplementary comments)**

With respect of the wages of temporary employees, the Company has been in compliant with the Law on Improving Management of Part-Time Workers' Employment and aims to decide them appropriately by taking into account the work, performance, motivation, skill-set, and experience of each person, trying to balance with the permanent workers, pursuant to the provisions of the said law. Consequently, the Board believes there is no need to establish such a provision in the Articles of Incorporation.