

(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

May 30, 2014

Hisao Tanaka, President and CEO  
TOSHIBA Corporation  
1-1, Shibaura 1-chome, Minato-ku, Tokyo

## **CONVOCATION NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE 175TH FISCAL YEAR**

Dear Shareholders:

Notice is hereby given that the Ordinary General Meeting of Shareholders for the 175th 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 the attached voting right exercise form to the company expressing your approval or disapproval of the proposals or by filling in your votes for or against the proposals on the website (<http://www.web54.net>).**

**Your vote must reach the Company by 5:15 p.m., Tuesday, June 24, 2014.**

Yours very truly,

Hisao Tanaka  
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 25, 2014, at 10:00 a.m.
2. Place: Kokugikan  
3-28, Yokoami 1-chome, Sumida-ku, Tokyo, Japan
3. Agenda for the Meeting

### Subject for Report

Business report, consolidated financial statements and financial statements (non-consolidated) for the 175th fiscal year (starting from April 1, 2013 and ending on March 31, 2014) and audit report for the consolidated financial statements, etc.

Subject for Resolution

Company Proposal (First Proposal)

First Proposal: Election of sixteen (16) Directors

Shareholder Proposal (Second to Fifth Proposal)

Second Proposal: Amendments to the Articles of Incorporation regarding exercise of voting rights at general meetings of shareholders

Third Proposal: Amendments to the Articles of Incorporation regarding effective use of assets

Fourth Proposal: Amendments to the Articles of Incorporation regarding purchase of own shares

Fifth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information on Toshiba manufactured equipment used in the TEPCO Fukushima Daiichi Nuclear Power Plant

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 enclosed Voting Rights Exercise Form to the reception desk.

\* 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 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 through the Internet, the most recent exercise of the voting rights will be treated as effective.

\* When you exercise the voting rights through a proxy, such proxy must be only 1 (one) shareholder who is entitled to attend the general meeting of shareholders. In this case, please submit a written power of attorney to the Company.

\* When you exercise the voting right through the written form and fail to indicate your approval or disapproval of the proposal, it will be deemed that you indicated your approval of the Company’s proposal and disapproval of the shareholder’s proposal.

\* Business reports, consolidated and non-consolidated financial statements and audit reports for the 175th 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 175th Fiscal Year annexed hereto. However, because the following matters are reported on the

Company's website (<http://www.toshiba.co.jp/about/ir/>)<sup>1</sup> in accordance with the provisions of laws and regulations and Article 14 of the Articles of Incorporation, they are not shown in the Reports for the 175th Fiscal Year:

1. "12. System for Ensuring the Proper Business of the Company (Internal Control System), Etc." and "13. Basic Policy concerning the Control of the Company and Takeover Defense Measures" of the business report;
2. Consolidated notes of consolidated financial statements; and
3. Individual notes of non-consolidated financial statements.

The consolidated and non-consolidated financial statements audited by the accounting auditors (independent auditors) are also shown in the consolidated notes and individual notes reported on the above website in addition to each document being included in the Reports for the 175th Fiscal Year.

The business report, consolidated and non-consolidated financial statements audited by the audit committee are also shown in part of the business report, the consolidated notes and individual notes reported on the above website in addition to each document being included in the Reports for the 175th Fiscal Year.

\* Any changes in the Reference Material for the Ordinary General Meeting of Shareholders or the business report, consolidated and non-consolidated financial statements will be reported on the above website.

#### **Note: Payment of the Year-End Dividends**

The Company decided to pay year-end dividends by the resolution at the Board of Directors meeting held on May 8, 2014.

Therefore, the Company will pay dividends in the amount of 4 yen (including tax) per share on June 2, 2014 which is the first day of such payment. Please be advised that you receive dividends by using the enclosed receipt of year-end dividends at the nearest head office, branch offices and district offices of Japan Post Bank Co., Ltd. and post offices during the payment period (starting from June 2, 2014 and ending on July 31, 2014).

We have separately made funds transfer procedures for the shareholders who designated that method of dividend payments.

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If you send the Company questions in advance, the Company plans to collectively answer any questions with respect to the matter that are the purpose of the shareholders meeting before the Q&A session at the Ordinary General Meeting of Shareholders. Please be advised that questions should be sent to the Company by 5:15 p.m. on Wednesday, June 18, 2014 by the following means so that the Company is able to make preparations. Please also note that the Company does not promise to answer all the questions received from shareholders.

Address to which questions can be sent in writing:  
Toshiba Corporation  
Legal Affairs Division  
1-1, Shibaura 1-chome, Minato-ku, Tokyo, 105-8001

Address to which questions can be sent via e-mail:  
[soukai@toshiba.co.jp](mailto:soukai@toshiba.co.jp)

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<sup>1</sup> Note for English translation:  
English translation is available on <http://www.toshiba.co.jp/about/ir/index.htm>

REFERENCE MATERIAL FOR THE  
ORDINARY GENERAL MEETING OF SHAREHOLDERS

- |    |                               |           |
|----|-------------------------------|-----------|
| 1. | Total Number of Voting Rights | 4,216,350 |
| 2. | Reference to Proposal         |           |

**Company Proposal (First Proposal)**

The First Proposal is proposed by the Company.

**First Proposal: Election of sixteen (16) Directors**

1. Reasons for Proposal

The term of office of the current sixteen (16) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, it is proposed to elect the following sixteen (16) Directors based on a decision by 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 qualifications for directors.

- Being respected, dignified, and highly ethical person
- Being responsive to compliance with laws and regulations
- Being in good health to conduct the required duties
- Having the ability to make objective judgments on management issues as well as excellent foresight and vision
- Having no interest in or transaction with the Company's main business fields that might affect management decisions
- For the outside directors, having a good track record and insight in their field

Messrs. Hiroyuki ITAMI and Ken SHIMANOUCI, Ms. Kiyomi SAITO and Mr. Sakutaro TANINO 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:

Notices have been filed regarding Messrs. Hiroyuki ITAMI and Ken SHIMANOUCI and Ms. Kiyomi SAITO as being independent directors in accordance with the rules of the Tokyo Stock Exchange, etc and a notice will be filed regarding Mr. Sakutaro TANINO as being independent directors.

Mr. Hiroyuki ITAMI:

Mr. Itami currently properly supervises the Company's management based on his rich experience and knowledge as a specialist in business administration and as a manager of a university.

Mr. Ken SHIMANOUCI

Mr. Shimanouchi currently properly supervises the Company's management based on his rich experience and knowledge as a diplomat.

Ms. Kiyomi SAITO

Ms. Saito holds a Master of Business Administration (MBA) from graduate school at Harvard University and currently properly supervises the Company's management based on her rich experience and knowledge as a top executive.

Mr. Sakutaro TANINO

Mr. Sakutaro TANINO is expected to properly supervise the Company's management based on his rich experience and knowledge as a diplomat.

The tenure of Messrs. Hiroyuki ITAMI and Ken SHIMANOUCI and Ms. Kiyomi SAITO as Outside Directors will be two years respectively at the conclusion of this Ordinary General Meeting of Shareholders.

The Company has concluded a limited liability contract with Messrs. Hiroyuki ITAMI and Ken SHIMANOUCI and Ms. Kiyomi SAITO to limit their liabilities as provided in Article 423, Paragraph 1 of the Companies Act to 31.2 million yen or the minimum liability amount stated in Article 425, Paragraph 1 of the Companies Act, whichever is larger. The Company intends to continue the contracts with Messrs. Hiroyuki ITAMI and Ken SHIMANOUCI and Ms. Kiyomi SAITO, if reelected. The Company also intends to conclude the same kind of limited liability contract with Mr. Sakutaro TANINO, if elected as a director.

The Japan Fair Trade Commission found in March 2014 that Mitsui O.S.K. Lines, Ltd., where Mr. Hiroyuki ITAMI has held the position of outside auditor since June 2011, had breached the Antimonopoly Act on the grounds that Mitsui attempted to maintain existing transactions and prevent reductions in freight charges with respect to "specified vehicle transportation services." Although Mr. ITAMI did not become aware of the facts until they were discovered, on occasions such as meetings of the board of directors he regularly called attention to the importance of compliance and the need for its permeation throughout the organization. After becoming aware of the facts, Mr. ITAMI timely and appropriately gave advice and instructions, and proposed preventative measures in connection with the elimination of such violations and improvement of the internal control system.

## 2. Details of Proposal

Candidates for Directors are as follows:

| Name and Date of Birth |                              | Positions                     | Career highlights,<br>significant concurrent positions   | Number of<br>Company's<br>shares<br>owned by the<br>candidate<br>(thousands) |
|------------------------|------------------------------|-------------------------------|--|--|
| 1.                     | Norio SASAKI<br>June 1, 1949 | Vice Chairman of the<br>Board | April 1972<br>Joined the Company<br><br>June 2005<br>Executive Officer<br>Corporate Vice President<br><br>June 2007<br>Executive Officer | 180  |

|    |  |  |   |     |
|----|--|--|---|-----|
|    |  |  | <p>Corporate Executive Vice President</p> <p>June 2008<br/>Director<br/>Representative Executive Officer<br/>Corporate Senior Executive Vice President</p> <p>June 2009<br/>Director<br/>Representative Executive Officer<br/>President and Chief Executive Officer</p> <p>June 2013 - Present<br/>Director, Vice Chairman of the Board</p> <p>Significant concurrent positions:<br/>Representative Director and Chairman, Japan<br/>Electronics and Information Technology<br/>Industries Association</p>    |     |
| 2. | <p>Hisao<br/>TANAKA</p> <p>December 20,<br/>1950</p>         | <p>Representative Executive<br/>Officer; President and<br/>Chief Executive Officer;<br/>Member, the<br/>Compensation Committee</p>   | <p>April 1973<br/>Joined the Company</p> <p>June 2006<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2008<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2009<br/>Executive Officer<br/>Corporate Executive Vice President</p> <p>June 2011<br/>Director<br/>Representative Executive Officer<br/>Corporate Senior Executive Vice President</p> <p>June 2013 - Present<br/>Director<br/>Representative Executive Officer<br/>President and Chief Executive Officer</p> | 108 |
| 3. | <p>Hidejiro<br/>SHIMOMITSU</p> <p>September 21,<br/>1952</p> | <p>Representative Executive<br/>Officer; Corporate Senior<br/>Executive Vice President;<br/>Support of the President<br/>General Executive,<br/>Marketing Division<br/>General Executive,<br/>Corporate Communications<br/>Division<br/>General Executive, Design<br/>center<br/>General Executive,<br/>Branch Offices</p> | <p>April 1976<br/>Joined the Company</p> <p>June 2006<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2007<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2009<br/>Executive Officer</p>  | 96  |

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|----|--|--|--|----|
|    |  |  | <p>Corporate Executive Vice President</p> <p>June 2011 - Present<br/>Director<br/>Representative Executive Officer<br/>Corporate Senior Executive Vice President</p>   |    |
| 4. | <p>Makoto KUBO</p> <p>January 31, 1952</p>         | <p>Representative Executive Officer; Corporate Senior Executive Vice President; General Executive, Finance &amp; Accounting Division</p> | <p>April 1975<br/>Joined the Company</p> <p>June 2008<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2010<br/>President, Toshiba Mobile Display Co., Ltd.</p> <p>June 2011<br/>Director<br/>Representative Executive Officer<br/>Corporate Executive Vice President</p> <p>June 2013 - Present<br/>Director<br/>Representative Executive Officer<br/>Corporate Senior Executive Vice President</p>   | 59 |
| 5. | <p>Masahiko FUKAKUSHI</p> <p>February 19, 1954</p> | <p>Executive Officer; Corporate Executive Vice President; Responsible for the Lifestyle Products &amp; Services Group</p>                | <p>April 1977<br/>Joined the Company</p> <p>June 2008<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2009<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2011<br/>President, Toshiba Mobile Display Co., Ltd.</p> <p>April 2012<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2012<br/>Executive Officer<br/>Corporate Executive Vice President</p> <p>June 2013 - Present<br/>Director<br/>Executive Officer<br/>Corporate Executive Vice President</p> <p>Significant concurrent positions:<br/>Outside Director, Toshiba TEC Corporation</p> | 61 |

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|----|--|---|---|----|
| 6. | <p>Kiyoshi<br/>KOBAYASHI</p> <p>March 29,<br/>1955</p> | <p>Executive Officer;<br/>Corporate Executive Vice<br/>President;<br/>Responsible for the<br/>Electronic Devices &amp;<br/>Components Group<br/>General Executive.<br/>Quality Promotion<br/>Division</p> | <p>May 1980<br/>Joined the Company</p> <p>June 2008<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2010<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2012<br/>Executive Officer<br/>Corporate Executive Vice President</p> <p>June 2013 - Present<br/>Director<br/>Executive Officer<br/>Corporate Executive Vice President</p>  | 70 |
| 7. | <p>Fumiaki USHIO</p> <p>March 29,<br/>1958</p>         | <p>Executive Officer;<br/>Corporate Senior Vice<br/>President;<br/>General Executive,<br/>Human Resources and<br/>Administration Division</p>   | <p>April 1982<br/>Joined the Company</p> <p>April 2008<br/>Director, Toshiba Consumer Electronics<br/>Holdings Corporation</p> <p>June 2009<br/>General Manager, Human Resources And<br/>Administration Div.</p> <p>June 2011<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2013 - Present<br/>Director<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>Significant concurrent positions:<br/>Chairman, Japan Overseas Medical Fund</p> | 38 |
| 8. | <p>Masashi<br/>MUROMACHI</p> <p>April 10,<br/>1950</p> | <p>Member, the Audit<br/>Committee</p>  | <p>April 1975<br/>Joined the Company</p> <p>June 2004<br/>Executive Officer<br/>Corporate Vice President</p> <p>June 2005<br/>Executive Officer<br/>Corporate Senior Vice President</p> <p>June 2006<br/>Executive Officer<br/>Corporate Executive Vice President</p>   | 86 |



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|----|---|---|---|---|
|    |   |   | <p>June 2008<br/>Director<br/>Representative Executive Officer<br/>Corporate Senior Executive Vice President</p> <p>June 2012<br/>Senior Adviser</p> <p>June 2013 - Present<br/>Director</p> <p>Significant concurrent positions:<br/>Outside Corporate Auditor, H<sub>2</sub>O<br/>RETAILING CORPORATION</p>   |   |
| 9. | <p>Hiroyuki<br/>ITAMI<br/><br/>March 16, 1945</p> | <p>Member, the Nomination<br/>Committee;<br/>Member, the<br/>Compensation Committee</p> | <p>April 1973<br/>Full-time instructor, Faculty of Commerce<br/>and Management, Hitotsubashi University</p> <p>March 1975<br/>Visiting Assistant Professor, Graduate<br/>School of Business, Stanford University</p> <p>April 1977<br/>Assistant Professor, Faculty of Commerce<br/>and Management, Hitotsubashi University</p> <p>March 1982<br/>Visiting Associate Professor, Graduate<br/>School of Business, Stanford University</p> <p>April 1985<br/>Professor, Faculty of Commerce and<br/>Management, Hitotsubashi University (until<br/>March 2008)</p> <p>August 1994<br/>Dean, Faculty of Commerce and<br/>Management, Hitotsubashi University (until<br/>July 1996)</p> <p>April 2008<br/>Professor, Graduate School of Management<br/>of Science and Technology (renamed<br/>Graduate School of Innovation Studies in<br/>April 2011), Tokyo University of Science</p> <p>October 2008<br/>Dean, Graduate School of Management of<br/>Science and Technology (renamed Graduate<br/>School of Innovation Studies in April 2011)<br/>Tokyo University of Science</p> <p>June 2012 - Present<br/>Outside Director of the Company</p> <p>Significant concurrent positions:<br/>Dean, Graduate School of Innovation<br/>Studies, Tokyo University of Science;</p> | 5 |

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|     |  |  | Outside Auditor, JFE Holdings, Inc.;<br>Outside Auditor, Mitsui O.S.K. Lines, Ltd.   |    |
| 10. | Ken<br>SHIMANOUC<br>HI<br><br>September 17,<br>1946  | Chairman, the<br>Compensation<br>Committee; Member, the<br>Audit Committee | <p>April 1971<br/>Joined the Ministry of Foreign Affairs of<br/>Japan</p> <p>April 1995<br/>Deputy Press Secretary, Ministry of Foreign<br/>Affairs of Japan</p> <p>August 1997<br/>Deputy Director General, Latin American<br/>and Caribbean Affairs Bureau, Ministry of<br/>Foreign Affairs of Japan</p> <p>August 1998<br/>Consul-General of Japan in Miami</p> <p>March 2000<br/>Minister, Embassy of Japan in the UK</p> <p>January 2002<br/>Director-General, Latin American and<br/>Caribbean Affairs Bureau, Ministry of<br/>Foreign Affairs of Japan</p> <p>April 2004<br/>Ambassador Extraordinary and<br/>Plenipotentiary to Spain</p> <p>August 2006<br/>Ambassador Extraordinary and<br/>Plenipotentiary to Brazil</p> <p>November 2010<br/>Counselor, Mitsui &amp; Co., Ltd. (until October<br/>2012)</p> <p>June 2012 - Present<br/>Outside Director of the Company</p> | 5  |
| 11. | Kiyomi SAITO<br>(Name on the<br>Family Register:<br>Kiyomi TAKEI)<br><br>December 1,<br>1950 | Member, the Audit<br>Committee;<br>Member, the<br>Compensation Committee   | <p>April 1973<br/>Joined Nikkei Inc.</p> <p>September 1975<br/>Joined Sony Corporation (until June 1979)</p> <p>August 1984<br/>Joined Morgan Stanley (until February 1992)</p> <p>April 2000<br/>President, JBond Co., Ltd. (renamed JBond<br/>Totan Securities Co., Ltd. in April 2008)</p> <p>April 2011<br/>President, the Totan Information Technology</p>  | 11 |

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|-----|---|--|---|----|
|     |   |  | Co. , Ltd.<br><br>June 2012 - Present<br>Outside Director of the Company<br><br>Significant concurrent positions:<br>President, JBond Totan Securities Co., Ltd.;<br>President, the Totan Information Technology Co. , Ltd.; Outside Auditor, Showa Denko K.K.  |    |
| 12. | Toshio<br>MASAKI*<br><br>August 5, 1952       | Executive Officer;<br>Corporate Executive Vice<br>President;<br>President, Social<br>Infrastructures Systems<br>Company  | April 1976<br>Joined the Company<br><br>June 2006<br>Vice President, Social Systems Company<br><br>June 2009<br>Executive Officer<br>Corporate Vice President<br><br>June 2010<br>Executive Officer<br>Corporate Senior Vice President<br><br>June 2013 - Present<br>Executive Officer<br>Corporate Executive Vice President        | 73 |
| 13. | Naoto<br>NISHIDA*<br><br>February 11,<br>1954 | Executive Officer;<br>Corporate Senior Vice<br>President;<br>General Executive,<br>Productivity Planning<br>Division<br>General Executive,<br>Procurement Division<br>General Executive,<br>Corporate<br>Manufacturing<br>Engineering Center | April 1978<br>Joined the Company<br><br>April 2009<br>General Manager, Productivity Planning<br>Division<br><br>April 2011<br>General Manager, Technology Planning<br>Division<br><br>June 2012<br>Executive Officer<br>Corporate Vice President<br><br>June 2013 - Present<br>Executive Officer<br>Corporate Senior Vice President | 38 |
| 14. | Keizo<br>MAEDA*<br><br>December 28,<br>1956   | Executive Officer;<br>Corporate Vice President;<br>General Manager,<br>Corporate Audit Division  | April 1979<br>Joined the Company<br><br>June 2008<br>General Manager, Finance & Accounting<br>Division<br><br>June 2013 - Present<br>Executive Officer  | 7  |

|     |  |  |  |    |
|-----|--|--|--|----|
|     |  |  | Corporate Vice President   |    |
| 15. | Seiya<br>SHIMAOKA*<br><br>December 24,<br>1955 | Senior Fellow, Audit<br>Committee Office | April 1979<br>Joined the Company<br><br>June 2007<br>General Manager, Legal Affairs Division<br><br>June 2013 – Present<br>Senior Fellow, Audit Committee Office   | 15 |
| 16. | Sakutaro<br>TANINO                             |  | April 1960<br>Entered the Ministry of Foreign Affairs of<br>Japan<br><br>June 1989<br>Director-General of the Asian Affairs Bureau<br>of the Ministry of Foreign Affairs of Japan<br><br>July 1992<br>Chief Cabinet Councilor's Office on External<br>Affairs, Cabinet Secretariat of Japan<br><br>September 1995<br>Ambassador to the Republic of India and the<br>Kingdom of Bhutan<br><br>April 1998<br>Ambassador to the People's Republic of<br>China (until March 2001)<br><br>June 2001<br>Director of the Company (until June 2007)<br><br>April 2002<br>Visiting Professor, Graduate School of<br>Asia-Pacific Studies, Waseda University (until<br>March 2007)<br><br>Significant concurrent positions:<br><br>Adviser, Japan - China Friendship Center<br>Outside Director, Alconix Corp<br>Outside Director, Suzuki Mortor Corp. | 10 |

- Notes:
1. Directors Atsutoshi NISHIDA, Hideo KITAMURA, Akira SUDO, Fumio MURAOKA Takeo KOSUGI will retire at the conclusion of this Ordinary General Meeting of Shareholders.
  2. Persons marked with \* are candidates to be newly elected as Directors.

#### Reference

1. Information on independent officers  
Candidates for Outside Directors Messrs. Hiroyuki ITAMI and Ken SHIMANOCHI and Ms. Kiyomi SAITO and Mr. Sakutaro TANINO meet the independence requirements

set out by the Tokyo Securities Exchange, etc.

There is no business relationship between the Company and Tokyo University of Science which Mr. Hiroyuki ITAMI serves as the Dean of Department of Innovation Studies. There is no business relationship between the Company and both JBond Totan Securities Co., Ltd. and The Totan Information Technology Co., Ltd. which Ms. Kiyomi SAITO serves as a president and representative director. Although the Company made a donation for repair and reform of premises to Japan - China Friendship Center which Mr. Sakutaro TANINO serves as an adviser, that does not affect his independence as an outside director because the donation is less than 1 million yen. Holdings of other material concurrent positions by the Candidates for Outside Directors are not of any significance that might affect their independence as an outside director, because they are outside corporate auditors and the like, and do not execute business of the institutions at which they hold concurrent positions.

2. If the First Proposal is approved, Chairman of the Board, Vice Chairman of the Board and the members and chairs of the Committees will be as follows:

|                             |   |
|-----------------------------|---|
| Chairman of the Board:      | Masashi MUROMACHI   |
| Vice Chairman of the Board: | Norio SASAKI  |
| Nomination Committee:       | Sakutaro TANINO (chairman), Masashi MUROMACHI and Hiroyuki ITAMI                            |
| Audit Committee:            | Makoto KUBO (chairman), Seiya SHIMAOKA, Ken SHIMANOUCI, Kiyomi SAITO and Sakutaro TANINO    |
| Compensation Committee:     | Ken SHIMANOUCI (chairman), Masashi MUROMACHI, Hisao TANAKA, Hiroyuki ITAMI and Kiyomi SAITO |

## **Shareholder Proposal (Second Proposal to Fifth Proposal)**

The Second Proposal to the Fifth Proposal were proposed by one individual shareholder who has continuously raised a number of shareholder proposals for seven years including the proposals in connection with individual events that occurred 19 or more years ago and have already been resolved. The proponent of these proposals raised 56 shareholder proposals two years ago and 60 shareholder proposals last year, but all of the proposals excluding one proposal which was presented for confirmation were not presented for the Ordinary General Meeting of Shareholders. The proponent has raised 7 shareholder proposals for this Ordinary General Meeting of Shareholders. However, 4 proposals excluding 3 proposals that clearly do not satisfy the requirements under law are to be presented and put to a vote at the Ordinary General Meeting of Shareholders.

The number of voting rights held by the proponent is 303 voting rights (representing approximately 0.007% of the total voting rights).

As described below, the Board of Directors of the Company opposes all of the shareholder proposals.

The details of and reasons for the shareholder proposal are printed exactly as submitted to the Company.

### **Shareholder Proposal:**

#### **Second Proposal: Amendments to the Articles of Incorporation regarding exercise of voting rights at general meetings of shareholders**

To establish the following provision in the Articles of Incorporation:

“With respect to exercise of voting rights at general meetings of shareholders, in cases where a shareholder does not vote for or against a proposal when exercising his/her voting rights in the Voting Rights Exercise Form, the shareholder will be deemed to have invalidated any Company proposal or any shareholder proposal presented. In addition, exercise of voting rights through the Internet shall be treated as the same as that through the Voting Rights Exercise Form.”

#### **Reasons for Proposal**

With regard to exercise of voting rights through the Voting Rights Exercise Form at a general meeting of shareholders, if a shareholder does not vote for or against a proposal using the said form, it is currently treated as support for proposals made by the Company, but an objection to (vote against) proposals made by shareholders. This is unfair, discriminatory treatment against shareholder proposals. This can also be considered as an act disrespecting shareholders' rights. Company's proposals must be treated as being invalidated in the same manner as shareholder proposals.

### **Board Statement in Opposition to the Shareholder Proposal in the Second Proposal**

#### **The Board opposes the shareholder proposal in the Second Proposal.**

With the content of the proposal in question, the Company determines in advance under laws

and ordinances the treatment of the votes exercised through either the Voting Rights Exercise Form or the Internet in a case where a shareholder does not vote for or against a proposal, and clearly indicates such treatment in the Voting Rights Exercise Form, etc. The current treatment by the Company is lawful as well as the most common practice by listed companies. Returning the Voting Rights Exercise Form to the Company without indicating his/her approval or disapproval is generally considered not to be an objection to or waiver of proposals made by the Company, but to be a vote of confidence in the Company. The Company considers that if the Company treats the Voting Rights Exercise Form returned by a shareholder as being invalidated, it is against the intention of many shareholders.

### **Shareholder Proposal:**

#### **Third Proposal: Amendments to the Articles of Incorporation regarding effective use of assets**

To establish the following provisions in the Articles of Incorporation (the content of this proposal is the same as proposals submitted for the ordinary general meeting of shareholders since 2012, but since such proposals have been unilaterally rejected by the Board of Directors, the same proposals are hereby resubmitted this time by organizing the content of such multiple proposals into one proposal):

“Of the shares owned by the Company, the Company shall sell all of the shares in (1) through (9) below within five years from July 2014. The method of sale shall be as set out in (a) through (c) below.

(a) First Stage: The shares shall be sold at appropriate prices (see note) to the relevant issuing companies and the employees and shareholding associations thereof.

Note: Meaning the price on the relevant exchange or the price obtained based on the amount of net assets.

(b) Second Stage: Any shares unsold during the First Stage shall be sold to financial institutions designated by the relevant issuing companies at prices not less than those at the First Stage.

(c) Third Stage: Any shares unsold during the Second Stage shall be sold on the market (if listed on an exchange) or in a bid procedure (if not listed on an exchange).

Within one year after receiving the sale proceeds, the Company shall appropriate 50% of the sale proceeds for the repayment of interest bearing debt, 30% for the purchase of own shares, and 20% for dividends. The Company shall disclose the status of the sale of shares and the status of the appropriation of the sale proceeds in the Official Gazette (*Kampo*).

(1) Toshiba Machine Co., Ltd.

(2) Toshiba Tec Corporation

(3) Toshiba Plant Systems & Services Corporation

(4) Nishishiba Electric Co., Ltd.

(5) Shibaura Mechatronics<sup>2</sup> Corporation

(6) Ikegami Tsushin<sup>3</sup> Co., Ltd.

(7) NuFlare Technology Inc.

(8) Topcon Corporation

(9) Westinghouse<sup>4</sup>

#### Reasons for Proposal

- By selling all of the above shares, the right of personnel management will completely transfer to the above subsidiaries and affiliates, resulting in a large number of presidents, directors, and executive officers who have been with the relevant companies for their entire careers. The level of freedom of management will increase, and employees will become even more energized. This will result in benefits for the Toshiba Group through increased development of the above subsidiaries and affiliates.
- It is better to sell shares and effectively utilize the sale proceeds than to hold shares long term.
- It has become necessary to issue shares at a low price due to the financial condition of Toshiba deteriorating as a result of unreasonable and unnecessary investment. By effectively appropriating sale proceeds, it will be possible to increase the asset value per share, increase the amount of dividends, and recover the share price of Toshiba.
- The basic management policy of the Company is decided by the general meeting of shareholders. The directors and executive officers should manage the Company in good faith in accordance with such basic policy.

#### **Board Statement in Opposition to the Shareholder Proposal in the Third Proposal**

##### **The Board opposes the shareholder proposal in the Third Proposal.**

The Company considers that the group management through holding by the Company of the shares of its affiliates is essential for the business development and sustainable growth of the Company group, and conducts its business operation to maximize the group's corporate value fully taking into account the optimized business portfolio and efficient use of assets of the entire group.

Consequently, the Board of Directors believes the establishment of the provisions regarding sale of shares of the affiliates in the Articles of Incorporation will unreasonably constrain the Company's management, and it is not appropriate.

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<sup>2</sup> Note for English translation:  
Original Japanese misspelt

<sup>3</sup> Note for English translation:  
Original Japanese misspelt

<sup>4</sup> Note for English translation:  
Original Japanese misspelt



## **Shareholder Proposal:**

### **Fourth Proposal: Amendments to the Articles of Incorporation regarding purchase of own shares**

To establish the following provisions in the Articles of Incorporation (the content of this proposal is the same as proposals submitted for the ordinary general meeting of shareholders since 2012, but since such proposals have been unilaterally rejected by the Board of Directors, the same proposal is hereby resubmitted this time):

“The Company shall continue to purchase its own shares in the amount of 40 billion yen or more per year for a period of 10 years from July 2014. The Company shall disclose the status of the purchasing of own shares in the Official Gazette (*Kampo*).”

#### Reasons for Proposal

- It has become necessary to issue shares at a low price due to the financial condition of Toshiba deteriorating as a result of unreasonable and unnecessary investment. By reviewing its businesses and effectively utilizing its assets, it will be possible for Toshiba to continue to purchase own shares. As a result, it will be possible to increase the asset value per share, increase the amount of dividends, and recover the share price of Toshiba.
- The basic management policy of the Company is decided by the general meeting of shareholders. The directors and executive officers should manage the Company in good faith in accordance with such basic policy.

### **Board Statement in Opposition to the Shareholder Proposal in the Fourth Proposal**

#### **The Board opposes the shareholder proposal in the Fourth Proposal.**

The Company intends to appropriately determine the purchase of own shares at the meeting of the Board of Directors in light of various factors such as the status of payment of dividends and implementation of other policies regarding shareholder return, the Company's performance, financial conditions and growth strategy, and the condition of the securities market, and the Company considers that it is not appropriate to state in the Articles of Incorporation a fixed annual purchase price of own shares. In addition, it is possible that such provisions of the Articles of Incorporation would violate laws and ordinances with regard to the distributable amount.

## **Shareholder Proposal:**

### **Fifth Proposal: Amendments to the Articles of Incorporation regarding disclosure of information on Toshiba manufactured equipment used in the TEPCO Fukushima Daiichi Nuclear Power Plant**

To establish the following provisions in the Articles of Incorporation (the content of this proposal is the same as proposals submitted for the ordinary general meeting of shareholders since 2012, but since such proposals have been unilaterally rejected by the Board of Directors, the same proposal is hereby resubmitted this time):

“The Company shall disclose in the Official Gazette (*Kampo*) information about the matters in (1) through (12) below in relation to the Toshiba manufactured equipment used in the TEPCO Fukushima Daiichi Nuclear Power Plant.

(1) In the 1970s, a problem arose in America about the safety of the Mark I nuclear reactor, the same type as the Mark I reactor manufactured by Toshiba. Toshiba too must have obtained this information. Toshiba shall disclose what examinations it made in regard to this matter and what kind of countermeasures it took.

(2) In order to restrain the construction costs of the Mark I, Toshiba has downsized the containment vessel. There is a high risk that, as a result of an accident etc., hydrogen will be produced, the hydrogen from the containment vessel will leak out into the building, and a hydrogen explosion will occur. From around what time did Toshiba foresee such hydrogen explosions, and did it examine any preventive measures regarding hydrogen explosions? What kind of preventive measures did Toshiba take regarding hydrogen explosions?

(3) For what reason did Toshiba not install multiple vent lines for preventing hydrogen explosions etc.?

(4) When and in what way did Toshiba examine the possibility of a power outage in the event of an earthquake?

(5) When and in what way did Toshiba report to TEPCO that there is a high possibility of a power outage in the event of an earthquake? What directions did TEPCO give to Toshiba after such report and when?

(6) For what reason did Toshiba install an emergency diesel power generator in the basement of the turbine building? Did Toshiba not consider the possibility of it being submerged by water?

(7) For what reason did Toshiba install a second emergency diesel power generator in the basement of the turbine building, the same place as the first? Why did Toshiba not install it in a different (higher) place? Was it the desire of TEPCO? Did Toshiba not consider the high possibility that placing it in the same basement would result in it being damaged for the same reason (submersion by water, etc.) at the same time as the first one?

(8) Did Toshiba prepare an emergency operation manual? What kind of emergency situations did it assume? What was the content of such manual? Did Toshiba prepare an operation manual for the event of power outage?

(9) If a defect is discovered in a delivered product, the manufacturer should immediately contact the customer and conduct repairs and replacements etc. Can Toshiba say that there was no defect in the nuclear power plant facilities containing Mark I reactors? Did Toshiba not take any measures despite knowing of the defect?

(10) At which other power plants did Toshiba build Mark I reactors other than at Fukushima Daiichi Nuclear Power Plant? At such other power plants, did Toshiba install multiple vent lines for preventing hydrogen explosions etc.? In what manner did Toshiba install emergency diesel power generators?

(11) A major accident occurred at a nuclear power plant built by Toshiba. What does Toshiba think about its social and moral responsibility as manufacturer? Since the law

provides that liability for compensation falls to TEPCO and the national government, does Toshiba not think anything about its own responsibility?

(12) Toshiba shall provide the assumption figures relating to earthquakes and tsunamis as of when it designed the Fukushima Daiichi Nuclear Power Plant.”

#### Reasons for Proposal

- The above questions were submitted in writing in advance but there was no response.
- A company should take responsibility for its products all the way through.
- Despite creating a cause of this major accident, Toshiba has not disclosed any information about the nuclear power equipment that caused the accident.

#### **Board Statement in Opposition to the Shareholder Proposal in the Fifth Proposal**

##### **The Board opposes the shareholder proposal in the Fifth Proposal.**

This proposal is not appropriate as a matter to be stated in the Articles of Incorporation on the grounds that it is related to the individual performance of business.

With respect to the situation that arose at the Fukushima Daiichi Nuclear Power Plant, the Company intends to make company-wide efforts to appropriately provide cooperation and assistance in resolving the situation and securing safety, upon the request of the national government and TEPCO.

## **Explanation about the Exercise of Voting Rights through the Internet**

◎ When exercising voting rights through the Internet, please be aware of the following matters before casting your vote.

1. Voting rights may only be exercised through the Internet using the following website for the exercise of voting rights designated by the Company.

Website for the exercise of voting rights: <http://www.web54.net><sup>5</sup>

2. When exercising voting rights, please access the website for the exercise of voting rights and input the voting rights exercise code indicated on the right hand corner of the Voting Rights Exercise Form in accordance with the instructions shown on the screen. Shareholders may cast a vote by inputting a new password set up by the shareholder using the password indicated on the right hand corner of the Voting Rights Exercise Form.

3. Shareholders are responsible for paying any fees such as connection fees payable to internet providers and communication fees payable to telecommunications providers in order to use the website for the exercise of the voting rights.

4. When connecting to the Internet from a company or other organization terminal, the Internet may be limited due to firewalls or other measures installed. Please confirm with your system administrator.

◎ Handling of passwords

1. The password that the Company issues this time is only effective for the current ordinary general meeting of shareholders. A new password will be issued for the next ordinary general meeting of shareholders. The Company will not respond to any inquiry about the password by telephone or other such means.

2. Please keep your password safe as it is the means by which the identity of the shareholder casting the vote is verified.

3. If the wrong password is inputted a certain number of times, the main screen will no longer be able to be accessed.

4. Shareholders who wish to have a password reissued are advised to follow the instructions shown on the screen.

◎ The following system requirements must be in place to use the website to exercise voting rights.

1. Personal computers:

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<sup>5</sup> Note for English translation:  
Only Japanese is available on this website.

- (1) Hardware
  - (i) Internet access
  - (ii) Monitor resolution of 800 x 600 pixels (SVGA)
- (2) Software
  - (i) Microsoft Internet Explorer Ver. 5.01 Service Pack 2 or later versions of Microsoft® Internet Explorer
  - (ii) When accessing the Convocation Notice of the Ordinary General Meeting of Shareholders, the Reference Material for the Ordinary General Meeting of Shareholders or the Reports for the 174th Fiscal Year:  
Ver. 4.0 or later versions of Adobe® Acrobat® Reader®, or Ver. 6.0 or later versions of Adobe® Reader®
    - \* Microsoft® and Internet Explorer are registered trademarks, trademarks and product names of Microsoft Corporation in the United States and other countries. Adobe® Acrobat® Reader® and Adobe® Reader® are registered trademarks, trademarks and product names of Adobe Systems Incorporated in the United States or other countries.
- (3) A pop-up function is used on the website for exercising voting rights. If a function that automatically blocks the pop-up function such as a pop-up blocker is used, please use the website after allowing or temporarily allowing pop-ups.

## 2. Mobile phones:

Mobile phones that can access the following services and are models that allow encrypted SSL communication. The website is not registered in the menu list for the following services. Please access the website by directly inputting the URL (<http://www.web54.net>) or using the QR code on the Voting Rights Exercise Form.

- (1) i-mode
- (2) EZweb
- (3) Yahoo! Mobile

\* i-mode is a registered trademark, trademark or service name of NTT DOCOMO, Inc., EZweb is that of KDDI Corporation, Yahoo! is that of Yahoo! Inc., Yahoo! Mobile is that of SOFTBANK MOBILE Corp., and QR code is that of Denso Wave Incorporated.

## ◎ Inquiries about the method of operation and other matters

Please contact the following office if you are unfamiliar with the method of operation or supported models of personal computers, mobile phones or other items in connection with exercising voting rights through the Internet:

Direct line to Transfer Agent Web Support of Sumitomo Mitsui Trust Bank, Limited:

Telephone: 0120-652-031<sup>6</sup> (toll free)  
(9:00 a.m. to 9:00 p.m.)

Please contact the following office for other inquiries:

- (1) Shareholders who have an account with a securities company or the like:

The securities company or the like with which your account is held

- (2) Shareholders who do not have an account with a securities company or the like (shareholders who have a special account):

Transfer Agent Department of Sumitomo Mitsui Trust Bank, Limited

Telephone: 0120-78-6502<sup>7</sup> (direct toll free number to the Company)  
(9:00 a.m. to 5:00 p.m.; Excluding Saturday and Sunday)

- End -

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<sup>6</sup> Note for English translation:  
Only for calls within Japan.

<sup>7</sup> Note for English translation:  
Only for calls within Japan.