

June 10, 2015

To Our Shareholders

Company name: Toshiba Corporation
1-1-1 Shibaura, Minato-ku, Tokyo,
Japan
Representative: Hisao Tanaka, President & CEO
Securities Code: 6502(TSE and NSE)

Toshiba Corporation (the “Company”) expresses its sincere apologies to its shareholders for any concerns or inconvenience caused by the current investigation into accounting.

The Company hereby gives notice that the agenda of the General Meeting of Shareholders, going to be held on upcoming June 25th, will be different from those in other years as described below, and it expresses its deep apologies again for bringing those problems.

1. Subjects for Report

As described in **Background**, on page 2 of this letter, the Company needs to compile business reports for 176th Fiscal Year and consolidated financial statements and financial statements (non-consolidated) and documents based on the results of the investigation by Independent Investigation Committee. However, as the Company cannot finalize the figures until the completion of the investigation, it will not be able to report its financial results at the Ordinary General Meeting of Shareholders for the 176th Fiscal Year (the “Ordinary General Meeting of Shareholders”) to be held on June 25, 2015. Instead, the business report, consolidated financial statements and financial statements (non-consolidated) and the audit report will be reported at an extraordinary general meeting of shareholders to be held after the Independent Investigation Committee completes its investigation (the “Extraordinary General Meeting of Shareholders”).

At the Ordinary General Meeting of Shareholders, the Company will provide explanations on such matters as the course of events leading to the situation described above and the facts ascertained to the date of the meeting.

2. Candidates for Directors and Executive Officers

Based on the results of the investigation by the Independent Investigation Committee regarding accounting issues, the Company, at an Extraordinary General Meeting of Shareholders to be held at a later date, will submit a proposal for the election of Director candidates nominated by the Nomination Committee (a majority of the members of which are Outside Directors), which the shareholders of the Company will vote on to decide the composition of the Board. For this reason, we ask shareholders to accept the temporary reelection of all current sixteen (16) Directors at this Ordinary General Meeting of Shareholders in order to enable full cooperation with the current investigation by the Independent Investigation Committee and to thoroughly and rapidly identify the causes of the accounting issues.

At the meeting of the Board of Directors held on May 8, 2015, the Company regrettably decided not to pay a year-end dividend for FY 2014 (to shareholders recorded in the shareholders registry as of March 31, 2015), because it was unable to finalize its financial statements. The Company expresses its most sincere apologies to our shareholders for any concerns or inconvenience caused on this occasion. I hasten to assure you that all officers and employees of the Company are united in dealing with current issues and in seeking to restore declarations of dividends at the earliest possible date, and in this connection your continued understanding and support are deeply appreciated.

Background

Here are the background and the facts as currently ascertained.

1. Investigation by Special Investigation Committee

On April 3, 2015, the Company established a Special Investigation Committee whose members include outside experts, and conducted an investigation into the percentage-of-completion method of accounting used in certain infrastructure projects undertaken by the Company. As a result, the Company identified projects in which the percentage-of-completion method of accounting was used, wherein the total amount of contract cost was underestimated and contract losses (including provisions for contract loss) were not recorded in a timely manner by three of its in-house companies, the Power Systems Company, the Social Infrastructure Systems Company and the Community Solutions Company. The Company subsequently found that further investigation was necessary for projects other than those in which the percentage-of-completion method of accounting was used, including matters such as the appropriateness of the timing and amount of provisions for loss that were recorded, the appropriateness of the timing of the recording of operating expenses, and the appropriateness of valuations of inventory.

2. Establishment of the Independent Investigation Committee

In light of this situation, and in order to further enhance the confidence of stakeholders in the results of the investigation, the Company decided on May 8, 2015, to change the framework of the investigation to one conducted by an Independent Investigation Committee that conforms to guidelines prescribed by the Japan Federation of Bar Associations by being composed solely of fair and impartial outside experts

The scope of the investigation by the Independent Investigation Committee covers:

- 1) Accounting in relation to the percentage-of-completion method;
- 2) Accounting in relation to recording of operating expenses in the Visual Products Business;
- 3) Accounting in relation to valuation of inventory in the Semiconductor Business, mainly discrete and system LSIs; and
- 4) Accounting in relation to component transactions in the PC Business.

The Company and all subsidiaries constituting the Toshiba Group are fully cooperating with the investigation by the Independent Investigation Committee, and will thoroughly heed its results and recommendations and reflect them in the Company's management, operations, and administration.

I would like to extend our most sincere apologies to our shareholders for any concerns or inconvenience caused by the current investigation into accounting. We will continue to cooperate fully with the investigation by the Independent Investigation Committee in order to report the results of the investigation to the shareholders as soon as possible.

We ask our shareholders for your continued understanding.

Sincerely yours,

Hisao Tanaka
Representative Executive Officer
President & CEO
Toshiba Corporation