

FOR IMMEDIATE RELEASE

**(Update) Notice Regarding Settlement of Litigation for Compensatory Damages in
Relation to Accounting Issue**

TOKYO - As announced in "Notice on Actions for Compensatory Damages Filed Against Toshiba" dated August 26, 2016 ("Timely Disclosure of the Filing"), a lawsuit for compensatory damages in relation to the accounting issue was filed with the Tokyo District Court and being examined. Toshiba Corporation (TOKYO: 6502) (the "Company") hereby gives notice that as a result of the negotiation with the plaintiff in this case, a settlement (the "Settlement") has been reached as follows.

1. Process from the filing of the lawsuit to the settlement

The lawsuit against the Company was filed with the Tokyo District Court on May 6, 2016, by Custody Bank of Japan, Ltd. for damages of 1,262,031,213 yen on the grounds of damages incurred due to the Company's inappropriate accounting ("Lawsuit 1") and was pending. In addition, the other lawsuit for damages of 11,992,617,778 yen was also filed with the Tokyo District Court on August 9, 2016, alleging that this amount comprises a portion of the total amount of liability which states to be 18,563,537,370 yen ^(Note) ("Lawsuit 2", which was announced in "Timely Disclosure of the Filing" . Together with Lawsuit 1, the "Lawsuits") and was pending.

The Company has decided to settle the Lawsuits from the viewpoint of achieving an early resolution, taking into consideration of the cost of the Lawsuits and the cost associated with uncertainty.

NOTE: The complaint of the Lawsuit 2 stated that the total amount of liability was 21,597,469,004 yen, which was subsequently amended to 18,563,537,370 yen.

2. Amount of claims etc.

The total amount of damages claimed in the Lawsuits together with Lawsuit 1 and Lawsuit 2 was 13,254,648,991 yen, and the plaintiff alleges that this amount comprises a portion of the total amount of liability which states to be 19,825,568,583 yen.

3. Details of the settlement

The Company will pay the plaintiff 6,500,000,000 yen and terminate the Lawsuits.

4. Outline of the other party to the settlement

Plaintiff

Name: Custody Bank of Japan, Ltd.

Address: Office towers Z, Harumi Island Triton Square, 1-8-12, Harumi, Chuo-ku, Tokyo

The plaintiff in the Lawsuit 1 and the Lawsuit 2 is identical.

5. Future Outlook

Losses related to the Settlement have been already reserved and no additional losses will be recorded.

6. Other

For a list of securities lawsuits against the Company, please refer to the attached "Outline of lawsuits for damages."

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Disclaimer:

This notice contains forward-looking statements concerning future plans, strategies and the performance of Toshiba Group. These statements are based on Toshiba's assumptions and beliefs in light of the data currently available to the Company. Actual results are subject to a number of risks and uncertainties and may differ significantly from Toshiba's assumptions. Major risk factors are as indicated below, though this list is not necessarily exhaustive.

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

Outline of lawsuits for damages

No.	Competent Court *3	Plaintiff *3	Number *3	Amount (million yen) *3	Status
1	Osaka District Court	Individual	1	51	Termination by Settlement
2	Osaka District Court	Individual	45	173	*1
3	Fukuoka District Court	Individual	6	34	*1
4	Tokyo District Court	Individual	50	300	*1
5	Osaka District Court	Individual	104	420	*1
6	Takamatsu District Court	Individual	25	85	*1
7	Fukuoka District Court	Individual	10	37	*1
8	Tokyo District Court	Individual	1	43	*1
9	<u>Tokyo District Court</u>	<u>Juridical Person (Custody Bank of Japan, Ltd)</u>	<u>1</u>	<u>1,262</u>	<u>Termination by Settlement(6500 million yen, together with No.12)</u>
10	Takamatsu District Court	Individual	5	9	*1
11	Tokyo District Court	Individual	147	350	*1
12	<u>Tokyo District Court</u>	<u>Juridical Person (Custody Bank of Japan, Ltd)</u>	<u>1</u>	<u>12,000</u>	<u>Termination by Settlement (6500 million yen, together with No.9)</u>
13	Fukuoka District Court	Individual	6	20	*1
14	Osaka District Court	Individual	23	440	*1
15	Tokyo District Court	Individual	33	57	*1
16	Tokyo District Court	Institutional investors around the world (Allianz Global Investors GmbH etc.)	42	16,100	*1
17	Osaka District Court	Individual	1	32	Dismissal
18	Osaka District Court	Juridical Person	1	7	Termination by Settlement
19	Tokyo District Court	Juridical Person	3	13,100	Termination by

		(Custody Bank of Japan, Ltd. etc.)			Settlement (1920 million yen)
20	Tokyo District Court	Juridical Person (Custody Bank of Japan, Ltd. etc.)	3	5,100	Termination by Settlement (820 million yen)
21	Tokyo District Court	Juridical Person (Custody Bank of Japan, Ltd. etc.)	5	14,000	*1
22	Osaka District Court	Individual	27	66	*1
23	Tokyo District Court	Individual	1	11	Termination by Settlement
24	Tokyo District Court	Individual	2	82	Dismissal
25	Tokyo District Court	Juridical Person and Individual	3	115	*1
26	Tokyo District Court	Institutional investors around the world (The Bank of New York Mellon etc.)	70	43,890	*1
27	Tokyo District Court	Individual	35	110	*1
28	Tokyo District Court	Individual	1	21	*1
29	Tokyo District Court	Institutional investors around the world etc. (Global Funds Trust Company etc.)	6	9,227	*1
30	Kumamoto District Court (Transfer from Fukuoka District Court)	Individual	1	12	Dismissal
31	Tokyo District Court	Institutional investors around the world	14	21,759	*1
32	Tokyo District Court	Juridical Person (Custody Bank of Japan, Ltd. etc.)	2	572	Partially Acceptable (161 million Yen)
33	Tokyo District Court	Institutional investors around the world	2	414	*1

		(Nomura NEXT FUNDS Ireland plc etc.)			
34	Tokyo District Court	Institutional investors around the world (California Public Employees' Retirement System etc.)	97	33,000	*1
35	Tokyo District Court	Institutional investors around the world (Aviva Investors Manager of Manager ICVC (ICVC2) etc.)	4	823	*1
36	Tokyo District Court	Individual	6	39	Termination by Settlement
37	Tokyo District Court	Institutional investors around the world (National Pension Service etc.)	7	4,071	*1

*1: We are currently in the process of hearing.

*2: The Lawsuit 1 is the underlined No. 9 case, and the Lawsuit 2 is the underlined No. 12 case.

*3: The competent court, plaintiff, number and amount are the information at the time of the filing of each lawsuit.