

# Japan's pension fund sues Toshiba over accounting scandal

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The Toshiba booth at an electronics exhibition in Yokohama

Japan's national pension fund, the world's biggest, said Thursday it is suing Toshiba over a profit-padding scandal that slashed the value of its stock, as its new boss pledged to overhaul the vast conglomerate.

The Government Pension Investment Fund (GPIF) wants more than \$9 million in damages to cover losses linked to some of its investment in Toshiba, and that figure may grow, it said.

"For now, the demand only covers (certain) Toshiba shares" purchased by the Fund, a spokesman told AFP.

"It will take more time to calculate all the damage from the scandal.

"We have a responsibility to recover losses (linked to the misconduct) as the fund manages public money," he added.

Best known for televisions and electronics, Toshiba's vast business was dented by the 2008 global financial crisis, while the 2011 Fukushima disaster squashed demand for atomic power at home in a big blow to the firm's key nuclear division.

Top executives complained of "shameful results" that could not be made public, and a company-hired panel in 2015 found they masterminded a years-long scheme to hide poor results.

Its shares lost some 40 percent of their value in the wake of the scandal, which sparked the resignation of its president and a string of other top executives last year.

Toshiba's new president Satoshi Tsunakawa declined to comment on the lawsuit Thursday, saying he was focused on a major reboot of the firm and "winning back investors' trust".

"We are not even at the halfway point yet," he told a group of foreign media in Tokyo, referring to Toshiba's turnaround.

"We are still at the mountain's foothills."

The company has been shedding businesses and announced earlier this year it sold its medical devices unit to camera and office equipment maker Canon.

China's Midea Group agreed to buy a little more than 80 percent of Toshiba's money-losing home appliances arm.

Japan's pension fund, equivalent to a quarter of the entire economy, towers over its nearest competitor—Norway's \$700 billion pension plan.

It has sued scandal-hit Japanese firms in the past to recoup share losses, and is involved in a lawsuit against Germany's Volkswagen over its massive emissions cheating scandal.

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