

**Summary Consolidated Financial Statements for the Third Quarter of the Fiscal Year
Ending March 31, 2005**

January 31, 2005

Company Name: Toshiba Plant Systems & Services Corporation

(Code number: 1983 TSE 1st Section)

(URL <http://www.toshiba-tpsc.co.jp>)

Representative: Yasuo Ozaki, President & CEO

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1. Matters Related to the Preparation of the Summary of Quarterly Results

1) Use of simplified accounting methods: Yes

Some simplified methods have been applied in accounting standards for reserves and allowances.

2) Change in accounting methods from recent consolidated fiscal years: No

3) Change in scope of consolidation and application of equity method: Yes

Equity method (excluded) 1 company

2. Results for the Third Quarter of the Fiscal Year Ending March 31, 2005

(from April 1, 2004 to December 31, 2004)

(1) Consolidated Operating Results

(Figures are all rounded off to the nearest million yen.)

	Net sales		Operating income		Ordinary income		Quarterly net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
End of 3 rd Qtr. FY3/05	73,741	73.9	264	-	168	-	-871	-
End of 3 rd Qtr. FY3/04	42,414	-	-	-	-	-	-	-
(Ref.) FY ended 3/04	105,633		3,186		3,039		512	

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 3 rd Qtr. FY3/05	-8.94	-
End of 3 rd Qtr. FY3/04	-	-
(Ref.) FY ended 3/04	6.80	-

Notes: 1. The percentage change in net sales indicates the change compared to the same quarter in the previous fiscal year. The presentation of quarterly financial information other than net sales began with the quarter under review; therefore, financial results and percentage change figures for the same quarter of the previous fiscal year are not shown.

2. Net sales for the same quarter in the previous fiscal year are pre-merger net sales for Toshiba Plant Kensetsu Co., Ltd.

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity to total assets	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
End of 3 rd Qtr. FY3/05	120,190	54,255	45.1	556.15
End of 3 rd Qtr. FY3/04	-	-	-	-
(Ref.) FY ended 3/04	128,873	55,444	43.0	568.23

Notes: The presentation of quarterly financial information began with the quarter under review; therefore, financial results for the same quarter of the previous fiscal year are not shown.

(3) Results of Operations and Financial Condition

Net sales for the third quarter totaled ¥73.741 billion, basically maintaining planned performance. At the division level, net sales rose due to factors associated with the merger. Compared to the same quarter in the previous fiscal year, the Power Systems Division and Infrastructure and Industrial Systems Divisions each experienced significant increases in net sales, the former recording a 134% increase, to ¥23.853 billion, and the latter, a 165% increase, to ¥28.043 billion. The Nuclear Systems Division, however, recorded net sales of ¥21.844 billion, roughly the same level as for the same quarter a year ago, because of a decline in sales revenues recorded on the percentage-of-completion basis for large nuclear power plants. Regarding income, a foreign currency exchange loss, a non-operating expense, was incurred and ordinary income came to ¥168 million. The incurrence of expenses for the relocation of facilities and the implementation of early retirement measures led to the recording of an extraordinary loss and a net loss of ¥871 million. It should be noted that the company's sales tend to be concentrated at the end of its fiscal year, so third-quarter results are relatively low compared to full-year results.

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2005 (from April 1, 2004 to March 31, 2005)

There is no change in the projected results announced on October 29, 2004 with the release of interim results for the fiscal year ending March 31, 2005.

<Reference>

(Unit: ¥million)

	Net sales	Ordinary income	Net income
Full fiscal year	128,000	4,700	4,000

Notes: The above projections are based on information available as of the date of this report. Future factors may cause actual results to differ from these projections.

(Summary) Consolidated Balance Sheets

(Unit: Millions of yen)

Classification	End of Current Quarter (as of Dec. 31, 2004)		End of Previous FY (as of Mar. 31, 2004)		Change
	Amount	% of Total	Amount	% of Total	
(Assets)		%		%	
Current assets					
Cash and deposits	3,638		3,468		170
Deposit to Toshiba Capital Corporation	8,500		12,900		-4,400
Trade notes and accounts receivable	42,237		59,856		-17,618
Inventories	37,035		22,851		14,183
Other	5,752		6,325		-572
Total current assets	97,164	80.8	105,401	81.8	-8,236
Fixed Assets					
Property, plant and equipment	7,897		8,145		-247
Intangible assets	284		368		-83
Investments and other assets	14,843		14,958		-115
Total fixed assets	23,025	19.2	23,472	18.2	-446
Total assets	120,190	100	128,873	100	-8,683
(Liabilities and shareholders' equity)					
Current liabilities					
Trade notes and accounts payable	23,661		30,955		-7,294
Advances received on uncompleted contracts	9,915		9,118		797
Other	6,758		8,872		-2,113
Total current liabilities	40,335	33.6	48,946	38.0	-8,611
Long-term liabilities					
Accrued pension and severance liabilities	25,449		24,326		1,122
Accrued directors' severance and retirement benefits	115		123		-7
Total long-term liabilities	25,564	21.3	24,450	19.0	1,114
Total liabilities	65,900	54.9	73,396	57.0	-7,496
(Minority interest in consolidation subsidiaries)					
Minority interest in consolidation subsidiaries	34	0.0	32	0.0	2
(Shareholders' equity)					
Total shareholders' equity	54,255	45.1	55,444	43.0	-1,189
Total liabilities and shareholders' equity	120,190	100	128,873	100	-8,683

(Summary) Consolidated Statements of Income

(Unit: Millions of yen)

Classification	End of Current Quarter (ended Dec. 31, 2004)		End of Previous FY (ended Mar. 31, 2004)	
	Amount	% of Total	Amount	% of Total
		%		%
Net sales	73,741	100	105,633	100
Cost of sales	65,969	89.5	94,612	89.6
Gross profit	7,771	10.5	11,020	10.4
Selling, general and administrative expenses	7,507	10.2	7,833	7.4
Operating income	264	0.3	3,186	3.0
Non-operating income	334	0.5	490	0.5
Non-operating expenses	429	0.6	637	0.6
Ordinary income	168	0.2	3,039	2.9
Extraordinary gains	145	0.2	84	0.1
Extraordinary losses	1,108	1.5	1,764	1.7
Quarterly income before income taxes and minority interest	-793	-1.1	1,359	1.3
Income taxes	74	0.1	846	0.8
Minority interests in income of consolidated subsidiaries	3	0.0	0	0.0
Net quarterly Income	-871	-1.2	512	0.5

Status of Consolidated Orders Received and Net Sales

(1) Orders

(Unit: ¥million)

	As of the End of the 3 rd Quarter Apr. 1, 2004 – Dec. 31, 2004	As of the End of the 3 rd Quarter of the Previous FY Apr. 1, 2003 – Dec. 31, 2003	Year-on-Year Comparison
Power Systems Division (Actual orders received during the 3 rd quarter)	-2,856 (29,117)	—	—
Nuclear Systems Division	22,912	—	—
Infrastructure and Indust- rial Systems Division	40,215	—	—
Total (Actual orders received during the 3 rd quarter)	60,272 (92,246)	—	—

Notes: 1. In the previous fiscal year, summary consolidated financial statements for the quarter reported only net sales. As such, orders received for the same period in the previous fiscal year and the year-on-year comparison are not presented here.

2. For the Power Systems Division, cancellation of overseas orders received in previous terms made a downward adjustment necessary. This adjustment resulted in the figure of ¥2,856 million in orders received as of the end of the third quarter.

(2) Net Sales

(Unit: ¥million)

	As of the End of the 3 rd Quarter Apr. 1, 2004 – Dec. 31, 2004	As of the End of the 3 rd Quarter of the Previous FY Apr. 1, 2003 – Dec. 31, 2003	Year-on-Year Comparison
Power Systems Division	23,853	10,211	133.6%
Nuclear Systems Division	21,844	21,606	1.1%
Infrastructure and Indust- rial Systems Division	28,043	10,596	164.7%
Total	73,741	42,414	73.9%

Notes: 1. As a result of the January 2004 merger with Toshiba Engineering Corporation, the company reorganized its operations into three divisions – the Power Systems Division, the Nuclear Systems Division, and the Infrastructure and Industrial Systems Division – beginning with the fiscal year ended March 31, 2004. Results for the same quarter in the previous fiscal year, therefore, have been restated for presentation according to the current three-division organization.

2. Net sales for the same quarter in the previous fiscal year are pre-merger net sales for Toshiba Plant Kensetsu Co., Ltd.