

**Summary of Consolidated Financial Statements  
for the Third Quarter of the Fiscal Year Ending March 31, 2006**



January 31, 2006

**Company Name: Toshiba Plant Systems & Services Corporation**

(Code number: 1983 TSE 1<sup>st</sup> Section)

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

Representative: Yasuo Ozaki, President & CEO

Contact for Inquiries: Minoru Mutoh, Senior Manager, Administration Department TEL: 81-45-500-7012

**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

One subsidiary removed from consolidation

**2. Results for the Third Quarter of the Fiscal Year Ending March 31, 2006**

(from April 1, 2005 to December 31, 2005)

(1) Consolidated Operating Results

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

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
End of 3 <sup>rd</sup> Qtr. FY3/06	81,307	10.3	580	119.8	900	433.6	250	-
End of 3 <sup>rd</sup> Qtr. FY3/05	73,741	73.9	264	-	168	-	-871	-
(Ref.) FY ended 3/04	138,046		4,335		4,354		4,276	

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 3 <sup>rd</sup> Qtr. FY3/06	2.57	-
End of 3 <sup>rd</sup> Qtr. FY3/05	-8.94	-
(Ref.) FY ended 3/04	43.83	-

Note:

The percentage change in net sales, operating income, etc. indicates the change compared to the same quarter in the previous fiscal year. The presentation of quarterly financial information other than net sales began from the first quarter of FY 2004; therefore, financial results and percentage change figures for the third quarter of FY 2004 are not shown.

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity to total assets	Shareholders' equity per share
	Million yen	Million yen	%	Yen
End of 3 <sup>rd</sup> Qtr. FY3/06	124,804	58,667	47.0	601.50
End of 3 <sup>rd</sup> Qtr. FY3/05	120,190	54,255	45.1	556.15
(Ref.) FY ended 3/04	130,585	59,430	45.5	609.22

(3) Summary of Operating Results

Net sales increased to ¥81,307 million, or 10.3% from the same quarter of the previous fiscal year. This was mainly due to growth at the Power Systems Division related to large-scale thermal power generation projects overseas and equipment for small and medium-sized thermal power plants. Ordinary income improved compared with a year earlier due to higher sales and thanks to non-operating income from foreign exchange gains. Net income for the period also improved, despite an extraordinary loss recognized to account for asset impairment of land. It should be noted that the company's sales and earnings have historically concentrated on the end of the fiscal year.

### 3. Projected Consolidated Results for Fiscal Year Ending March 31, 2006 (from April 1, 2005 to March 31, 2006)

There is no change in the projected results announced on April 28, 2005 concomitant with the announcement of results for the fiscal year ending March 2005.

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
Full fiscal year	138,000	4,100	2,300

Reference: Estimated net income per share (full-year basis): ¥23.58

Note:

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 of Consolidated Balance Sheets

(Unit: million yen)

Classification	End of Current 3rd Quarter (as of Dec. 31, 2005)		End of Previous FY (as of Mar. 31, 2005)		Change	End of Previous 3rd Quarter (as of Dec. 31, 2004)	
	Amount	% of Total	Amount	% of Total		Amount	% of Total
	(Assets)		%			%	
Current assets							
Cash and deposits	2,014		7,641		-5,627	3,638	
Deposit to Toshiba Capital Corporation	16,925		10,824		6,101	8,500	
Trade notes and accounts receivable	41,012		65,199		-24,186	42,237	
Uncompleted construction contracts	38,563		20,534		18,028	37,035	
Other	6,283		6,112		171	5,752	
Total current assets	104,798	84.0	110,311	84.5	-5,513	97,164	80.8
Fixed assets							
Property, plant, and equipment	7,133		7,600		-466	7,897	
Intangible assets	212		259		-46	284	
Investments and other assets	12,660		12,414		245	14,843	
Total fixed assets	20,006	16.0	20,273	15.5	-267	23,025	19.2
Total assets	124,804	100	130,585	100	-5,780	120,190	100
(Liabilities and shareholders' equity)							
Current liabilities							
Trade notes and accounts payable	26,534		33,160		-6,625	23,661	
Advances received on uncompleted contracts	11,319		7,178		4,141	9,915	
Other	7,049		10,414		-3,365	6,758	
Total current liabilities	44,904	36.0	50,753	38.9	-5,849	40,335	33.6
Long-term liabilities							
Accrued pension and severance liabilities	21,076		20,226		850	25,449	
Accrued directors' severance and retirement benefits	109		133		-23	115	
Total long-term liabilities	21,186	17.0	20,359	15.6	827	25,564	21.3
Total liabilities	66,090	53.0	71,112	54.5	-5,022	65,900	54.9
(Minority interest in consolidated subsidiaries)							
Minority interest in consolidated subsidiaries	46	0.0	42	0.0	4	34	0.0
(Shareholders' equity)							
Total shareholders' equity	58,667	47.0	59,430	45.5	-762	54,255	45.1
Total liabilities and shareholders' equity	124,804	100	130,585	100	-5,780	120,190	100

## Summary of Consolidated Income Statements

(Unit: million yen)

Classification	End of Current 3rd Quarter (as of Dec. 31, 2005)		End of Previous 3rd Quarter (as of Dec. 31, 2004)		Change	End of Previous FY (as of Mar. 31, 2005)	
	Amount	% of Total	Amount	% of Total		Amount	% of Total
	Net sales	81,307	100	73,741		100	7,566
Cost of sales	73,300	90.2	65,969	89.5	7,331	123,525	89.5
Gross profit	8,006	9.8	7,771	10.5	235	14,520	10.5
Selling, general, and administrative expenses	7,426	9.1	7,507	10.2	-81	10,185	7.4
Operating income	580	0.7	264	0.3	316	4,335	3.1
Non-operating income	490	0.6	334	0.5	155	479	0.4
Non-operating expenses	169	0.2	429	0.6	-259	460	0.3
Ordinary income	900	1.1	168	0.2	731	4,354	3.2
Extraordinary gains	118	0.1	145	0.2	-26	5,477	3.9
Extraordinary losses	247	0.3	1,108	1.5	-860	1,921	1.4
Quarterly income before income taxes and minority interest	771	0.9	-793	-1.1	1,565	7,910	5.7
Income taxes	516	0.6	74	0.1	442	3,623	2.6
Minority interest in income of consolidated subsidiaries	3	0.0	3	0.0	0	11	0.0
Net quarterly income	250	0.3	-871	-1.2	1,122	4,276	3.1

## Status of Consolidated Orders Received and Net Sales

### (1) Orders

(Unit: million yen)

	As of the End of the 3 <sup>rd</sup> Quarter Apr. 1, 2005 – Dec. 31, 2005	As of the End of the 3 <sup>rd</sup> Quarter Apr. 1, 2004 – Dec. 31, 2004	Change
Power Systems Division (Effective orders)	33,248 (33,248)	-2,856 (29,117)	36,104 (4,131)
Nuclear Systems Division	20,316	22,912	-2,596
Infrastructure and Industrial Systems Division	45,863	40,215	5,648
Total (Effective orders)	99,428 (99,428)	60,272 (92,246)	39,156 (7,183)

Note:

New orders at the Power Systems Division in the third quarter of the previous fiscal year were -2,856 million after reductions due to cancellation of overseas construction work orders received earlier.

### (2) Net Sales

(Unit: million yen)

	As of the End of the 3 <sup>rd</sup> Quarter Apr. 1, 2005 – Dec. 31, 2005	As of the End of the 3 <sup>rd</sup> Quarter Apr. 1, 2004 – Dec. 31, 2004	Change
Power Systems Division	32,453	23,853	8,600
Nuclear Systems Division	20,427	21,844	-1,417
Infrastructure and Industrial Systems Division	28,426	28,043	383
Total	81,307	73,741	7,566