

## Summary of Consolidated Financial Statements

for the First Quarter of the Fiscal Year Ending March 31, 2007



July 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>)

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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: No

### 2. Results for the First Quarter of the Fiscal Year Ending March 31, 2007 (from April 1, 2006 to June 30, 2006)

#### (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 1 <sup>st</sup> Qtr. FY3/07	22,404	33.3	-50	-	-34	-	-82	-
End of 1 <sup>st</sup> Qtr. FY3/06	16,809	27.4	-305	-	-201	-	-374	-
(Ref.) FY ended 3/06	144,260		4,555		4,896		2,587	

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 1 <sup>st</sup> Qtr. FY3/07	-0.85	-
End of 1 <sup>st</sup> Qtr. FY3/06	-3.84	-
(Ref.) FY ended 3/06	26.53	-

Note:

The percentage change in net sales, operating income, etc. indicates the change compared to the same quarter in the previous fiscal year.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
End of 1 <sup>st</sup> Qtr. FY3/07	128,361	59,945	46.7	614.06
End of 1 <sup>st</sup> Qtr. FY3/06	121,380	57,902	47.7	593.57
(Ref.) FY ended 3/06	136,206	61,029	44.8	625.76

(3) Summary of Operating Results

Net sales increased 33.3% on the year to ¥22,404 million. This was due mainly to progress in contract completions for domestic large-size thermal power plant at the Power Systems Division as well as an increase in overseas small- and medium-size thermal power generation facilities, while the Nuclear Systems Division experienced growth in improvement and maintenance work, and general industrial sales increased at the Infrastructure and Industrial Systems Division. The increase in sales led to improvements in ordinary income and net income compared with a year earlier. It should be noted that operating performance of the Company is concentrated on the end of the fiscal year.

**3. Projected Consolidated Results for Fiscal Year Ending March 31, 2007 (from April 1, 2006 to March 31, 2007)**

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
Interim period	63,000	600	300
Full fiscal year	143,500	4,200	2,300

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

Note:

1. The above forecasts reflect revisions to financial forecasts released April 28, 2006. Details are provided in separately released Notice of Revision of Financial Forecasts for the Fiscal Year Ending March 31, 2007.
2. The above forecasts are based on information available as of the date of release hereof. Actual results may differ from the forecasts stated herein depending on a variety of factors going forward.

## (1) Summary of Consolidated Balance Sheet

(Unit: million yen)

Classification	End of Current 1st Quarter (as of June 30, 2006)		End of Previous FY (as of March 31, 2006)		Change	End of Previous 1st Quarter (as of June 30, 2005)	
	Amount	% of Total	Amount	% of Total		Amount	% of Total
(Assets)							
Current Assets							
Cash and deposits	2,940		2,031		908	3,347	
Deposit to Toshiba Capital Corporation	14,040		19,245		-5,205	9,625	
Trade notes and accounts receivable	52,513		63,394		-10,880	50,894	
Uncompleted construction contracts	31,921		24,242		7,678	31,762	
Other	6,794		7,172		-377	5,616	
Total current assets	108,210	84.3	116,086	85.2	-7,876	101,245	83.4
Fixed Assets							
Property, plant, and equipment	7,084		7,168		-84	7,362	
Intangible assets	180		193		-13	204	
Investments and other assets	12,886		12,757		129	12,567	
Total fixed assets	20,151	15.7	20,120	14.8	31	20,134	16.6
Total assets	128,361	100.0	136,206	100.0	-7,845	121,380	100.0
(Liabilities and shareholders' equity)							
Current liabilities							
Trade notes and accounts payable	28,783		33,986		-5,203	26,569	
Advances received on uncompleted contracts	12,337		9,475		2,862	9,871	
Other	5,713		10,241		-4,528	6,411	
Total current liabilities	46,834	36.5	53,703	39.5	-6,869	42,852	35.3
Long-term liabilities							
Accrued pension and severance liabilities	21,468		21,294		174	20,498	
Accrued directors' severance and retirement benefits	112		124		-11	77	
Total long-term liabilities	21,581	16.8	21,419	15.7	162	20,576	17.0
Total liabilities	68,415	53.3	75,122	55.2	-6,706	63,428	52.3
(Net assets)							
Total net assets	59,945	46.7	-	-	-	-	-
Total liabilities and net assets	128,361	100.0	-	-	-	-	-
(Minority interest in consolidated subsidiaries)							
Minority interest in consolidated subsidiaries	-	-	54	0.0	-	49	0.0
(Shareholders' equity)							
Total shareholders' equity	-	-	61,029	44.8	-	57,902	47.7
Total liabilities and shareholders' equity	-	-	136,206	100.0	-	121,380	100.0

## (2) Summary of Consolidated Income Statement

(Unit: million yen)

Classification	End of Current 1st Quarter (as of June 30, 2006)		End of Previous 1st Quarter (as of June 30, 2005)		Change	End of Previous FY (as of March 31, 2006)	
	Amount	% of Total	Amount	% of Total		Amount	% of Total
Net sales	22,404	100.0	16,809	100.0	5,595	144,260	100.0
Cost of sales	20,267	90.5	14,759	87.8	5,507	129,900	90.0
Gross profit	2,137	9.5	2,049	12.2	87	14,360	10.0
Selling, general, and administrative expenses	2,187	9.7	2,354	14.0	-166	9,804	6.8
Operating income	-50	-0.2	-305	-1.8	254	4,555	3.2
Non-operating income	106	0.4	188	1.1	-81	634	0.4
Non-operating expenses	91	0.4	84	0.5	6	293	0.2
Ordinary income	-34	-0.2	-201	-1.2	166	4,896	3.4
Extraordinary gains	-	-	-	-	-	118	0.1
Extraordinary losses	-	-	247	1.5	-247	247	0.2
Quarterly income before income taxes and minority interest	-34	-0.2	-448	-2.7	414	4,767	3.3
Income taxes	46	0.2	-77	-0.5	123	2,173	1.5
Minority interest in income of consolidated subsidiaries	1	0.0	2	0.0	-1	6	0.0
Net quarterly income	-82	-0.4	-374	-2.2	291	2,587	1.8

## Status of Consolidated Orders Received and Net Sales

### (1) Orders

(Unit: million yen)

	As of the End of the 1 <sup>st</sup> Quarter Apr. 1, 2006 – Jun. 30, 2006	As of the End of the 1 <sup>st</sup> Quarter Apr. 1, 2005 – Jun. 30, 2005	Change
Power Systems Division	11,916	9,491	2,425
Nuclear Systems Division	6,260	6,835	-574
Infrastructure and Industrial Systems Division	16,218	13,147	3,071
Total	34,396	29,474	4,922

### (2) Net Sales

(Unit: million yen)

	As of the End of the 1 <sup>st</sup> Quarter Apr. 1, 2006 – Jun. 30, 2006	As of the End of the 1 <sup>st</sup> Quarter Apr. 1, 2005 – Jun. 30, 2005	Change
Power Systems Division	8,744	6,434	2,340
Nuclear Systems Division	5,793	4,595	1,198
Infrastructure and Industrial Systems Division	7,836	5,779	2,056
Total	22,404	16,809	5,595