

**Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2009**



July 31, 2008

Company Name: Toshiba Plant Systems & Services Corporation

(Code number: 1983 TSE 1st Section)

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

Representative: Tetsuo Ishii, President & CEO

Contact for Inquiries: Minoru Mutoh, Senior Manager, Administration Department

TEL: 81-45-500-7012

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1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2009

(from April 1, 2008 to June 30, 2008)

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

(1) Consolidated Operating Results (percentages indicate changes compared to the previous first quarter)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
End of 1 st Qtr. FY3/09	29,854	—	1,680	—	1,907	—	1,050	—
End of 1 st Qtr. FY3/08	24,303	8.5	998	—	1,308	—	698	—

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 1 st Qtr. FY3/09	10.77	—
End of 1 st Qtr. FY3/08	7.17	—

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity to total assets	Shareholders' equity per share
	Million yen	Million yen	%	Yen
End of 1 st Qtr. FY3/09	146,189	69,102	47.2	708.25
FY 3/08	156,194	68,865	44.0	705.56

Reference: Equity – End of 1st Qtr. FY3/09 ¥69,042 million; FY 3/08: ¥68,783 million

2. Dividend

(Record date)	Dividend per share				
	End of 1 st Quarter	End of 2 nd Quarter	End of 3 rd Quarter	End of fiscal year	Annual
	Yen	Yen	Yen	Million yen	%
FY 3/08	—	7.50	—	7.50	15.00
FY 3/09	—	—	—	—	—
FY 3/09 (forecast)	—	7.50	—	7.50	15.00

Note: Revisions to dividend estimate in the period under review: none

**3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2009
(from April 1, 2008 to March 31, 2009)**

(percentages indicate changes compared to the previous fiscal year on a full-year basis, and the previous second quarter consolidated period on a second quarter consolidated basis)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Second Quarter Consolidated Period	66,000		2,400		2,500		1,400		14.36
Full fiscal year	156,000	-12.6	8,200	-24.0	8,500	-23.0	4,800	-23.6	49.24

Note: Revisions to consolidated earnings estimates in the period under review: none

4. Others

(1) There were no material changes in subsidiaries during the period (change of specified subsidiary due to changes in scope of consolidation)

(2) Application of simplified accounting procedures and special accounting procedures for the preparation of quarterly consolidated financial statements: not applied

(3) Changes in accounting principles, procedures, and method of presentation regarding preparation of quarterly consolidated financial statements (changes to significant matters fundamental to the preparation of quarterly consolidated financial statements)

1) There were changes due to revised accounting standards

2) There were changes other than 1)

Note: For details, see "4. Others" on page 3, under "Qualitative information, financial statements, etc."

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding as of the end of the period (including treasury stock) – End of 1st Qtr. FY3/09: 97,656,888 shares; FY 3/08: 97,656,888 shares

2) Number of treasury shares outstanding as of the end of the period – End of 1st Qtr. FY3/09: 172,662 shares; FY 3/08: 169,558 shares

3) Average number of shares outstanding during the period under review – End of 1st Qtr. FY3/09: 97,485,689 shares; End of 1st Qtr. FY3/08: 97,506,003 shares

Note: Explanation of appropriate usage of forecasts and other special instructions

The forecast stated herein 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.

“Qualitative information, financial statements, etc.”

1. Qualitative information regarding consolidated business results

The Japanese economy in the period under review was impacted by soaring crude oil and materials prices and displayed increasing signs of moving into an adjustment phase amid concerns over deteriorating corporate earnings and retreating capital expenditures, and with personal consumption in decline.

In these conditions, new order receipts totaled ¥47,753 million, reflecting an increase of 0.8%, largely unchanged from the year earlier. This was due to significant growth overseas in industrial-use power generation equipment, contrasted by a drop in general industrial equipment centered on semiconductor manufacturing plant. Sales nonetheless increased strongly by 22.8% on the year to ¥29,854 million on the back of solid demand for general industrial applications.

Thanks to higher income from increased sales and enhanced profit margins from cost reductions, operating income and ordinary income, respectively, rose by 68.4% to ¥1,680 million and by 45.8% to 1,907 million, while net income for the period under review climbed 50.3% to ¥1,050 million.

New order receipts and sales revenue by division were as follows.

New order receipts and sales revenue by division were as follows.

(Unit: million yen)

Business Division	Order Receipts	Year-on-year change	Net Sales	Year-on-year change
Power Systems Division	18,804	83.5%	10,044	1.3%
Nuclear Systems Division	9,021	12.5%	6,145	33.8%
Infrastructure and Industrial Systems Division	19,927	-31.6%	13,663	39.5%
Total	47,753	0.8%	29,854	22.8%

< Power Systems Division >

New orders overseas increased strongly in industrial-use power generation facilities, offsetting a drop in large-scale thermal power plant facilities overseas. Sales remained largely unchanged compared with a year earlier as lower demand overseas and in Japan for industrial-use power generation equipment and transformer equipment for hydro power generation was supplemented by higher sales of equipment for large-scale thermal power generation in Japan and abroad.

< Nuclear Systems Division >

New orders and sales increased from increased periodic inspections and overhaul work of existing nuclear power plants.

< Infrastructure and Industrial Systems Division >

New orders fell markedly for general industrial applications centered on semiconductor manufacturing plant equipment. Meanwhile, sales rose on strong growth in general industrial applications such as production equipment.

2. Qualitative information regarding consolidated financial conditions

Consolidated assets at the end of the period under review totaled ¥146,189 million, reflecting a decline of ¥10,004 million. This was due mainly to an ¥8,622 million increase in costs on uncompleted construction contracts, a ¥6,938 million combined decline in cash and deposits and group deposits with Toshiba Capital Corp., as well as a ¥11,419 million decline in notes receivable and accounts receivable from completed construction contracts, etc.

Consolidated liabilities at the end of the period under review totaled ¥77,087 million, declining ¥10,240 million compared with the end of the previous fiscal year. This was mostly due to a ¥6,016 million drop in notes payable and accounts payable for construction contracts, etc., and a ¥3,323 million decline in accrued income taxes.

Consolidated net assets at the end of the period under review totaled ¥69,102 million, an increase of ¥236 million since the end of the previous fiscal year. This was mainly due to a higher retained earnings.

3. Qualitative information regarding projected consolidated results

As to the economic outlook, growing uncertainty is expected going forward amid factors such as the slowing US economy and raw materials prices at high levels. Based on the current situation, financial results of the Company are seen to develop largely as planned, without amendments to the financial results forecasts announced on April 28, 2008.

4. Others

(1) Material changes in subsidiaries during the period (change in the scope of consolidation due to change in specified subsidiaries): No

(2) Application of simplified accounting procedures and special accounting procedures for the preparation of quarterly consolidated financial statements

1) Application of simplified accounting procedures: Not applied.

2) Application of special accounting procedures for the preparation of quarterly consolidated financial statements: Not applied.

(3) Change in accounting principles, procedures, and presentation, etc., concerning the preparation of quarterly consolidated financial statement

1) Application of the Provisional Guidelines for the Accounting Treatment of Foreign Subsidiaries in the Preparation of Consolidated Financial Statements

Beginning with the period under review, the Company applies the Provisional Guidelines for the Accounting Treatment of Foreign Subsidiaries in the Preparation of Consolidated Financial Statements (Practical Solutions Statement No. 18; May 17, 2006) and has made adjustments necessary for consolidated financial reporting. Effects on income are negligible.

2) Application of the Financial Accounting Standard for Lease Transactions

With regard to finance leases without ownership transfer, the Company has historically applied accounting treatment consistent with that for rental transactions. However, with the Financial Accounting Standard for Lease Transactions (Business Accounting Council; Financial Accounting Standard No. 13, issued June 17, 1993; revised March 30, 2007) and the Application Guidelines for the Financial Accounting Standard for Lease Transactions (The Japanese Institute of Certified Public Accountants; Accounting Systems Committee; Financial Accounting Standard Application Guideline No. 16; issued January 18, 2004; revised March 30, 2007) becoming available for application to consolidated quarterly financial statements for fiscal years beginning on or after April 1, 2008, the Company applies these accounting standards to lease contracts that begin on or after April 1, 2008, using accounting treatment consistent with regular purchase transactions. With regard to depreciation charges applicable to lease assets under finance leases without ownership transfer, the Company uses the straight-line method with the contract term as the useful life of the lease asset and with a residual value of zero. Effects on income are negligible.

5. First Quarter Consolidated Financial Statements

(1) First Quarter Consolidated Balance Sheet

(Unit: million yen)

	At the end of the period under review (June 30, 2008)	Summary of consolidated balance sheets at the end of the previous fiscal year (March 31, 2008)
(Assets)		
Current assets		
Cash and deposits	2,372	1,805
Deposit to Toshiba Capital Corporation	20,350	27,855
Trade notes and accounts receivable	70,101	81,521
Uncompleted construction contracts	28,027	19,404
Other current assets	5,567	5,979
Allowance for doubtful accounts	-108	-109
Total current assets	126,310	136,458
Fixed assets		
Property, plant and equipment	7,042	7,045
Intangible assets	97	99
Investments and other assets	12,739	12,590
Total fixed assets	19,879	19,735
Total assets	146,189	156,194
(Liabilities)		
Current liabilities		
Trade notes and accounts payable	39,300	45,317
Accrued income taxes	35	3,359
Advances received on uncompleted contracts	7,351	6,630
Allowance for directors' bonuses	14	62
Allowance for warranty liabilities on completed projects	581	725
Allowance for expected losses on construction projects	436	467
Other current liabilities	6,902	8,586
Total current liabilities	54,622	65,148
Long-term liabilities		
Accrued pension and severance liabilities	22,351	22,045
Accrued directors' severance and retirement benefits	75	134
Other long-term liabilities	37	—
Total long-term liabilities	22,465	22,179
Total liabilities	77,087	87,328
(Net assets)		
Shareholders' equity		
Common stock	11,876	11,876
Capital surplus	20,910	20,910
Retained earnings	36,269	35,959
Treasury stock	-86	-83
Total shareholders' equity	68,969	68,662
Valuation and currency translation adjustments		
Unrealized gains on securities	197	152
Currency translation adjustment	-124	-31
Total valuation and currency translation adjustments	73	120
Minority interest in consolidated subsidiaries	59	82
Total net assets	69,102	68,865
Total liabilities and net assets	146,189	156,194

(2) First Quarter Consolidated Income Statement
 (First Quarter Consolidated Period)

(Unit: million yen)

	Period under review (from Apr. 1, 2008 to Jun. 30, 2008)
Net sales	29,854
Cost of sales	25,745
Gross profit	4,108
Selling, general and administrative expenses	2,428
Operating income	1,680
Non-operating income	
Interest income	65
Dividend income	42
Investment income due to equity method	5
Foreign exchange gains	88
Other income	45
Total non-operating income	246
Non-operating expenses	
Rental expenses	5
Other expenses	14
Total non-operating expenses	19
Ordinary income	1,907
Income for the period before income taxes and minority interest	1,907
Income taxes-current	230
Adjustments to income taxes	627
Total income taxes	857
Minority interest in loss of consolidated subsidiaries	0
Net income	1,050

(3) First Quarter Consolidated Statements of Cash Flows

(Unit: million yen)

	Period under review (from Apr. 1, 2008 to Jun. 30, 2008)
Cash flows from operating activities	
Income before income taxes	1,907
Depreciation	172
Gains (losses) on disposal of property and equipment	3
Increase (decrease) in allowances for doubtful accounts	0
Increase (decrease) in allowances for pension and severance	288
Increase (decrease) in allowances for directors' severance and retirement benefits	-59
Interest and dividend income	-107
Increase (decrease) in trade receivables	11,321
Increase (decrease) in uncompleted contracts	-8,631
Increase (decrease) in purchase liabilities	-5,950
Increase (decrease) in advances received on uncompleted contracts	790
Increase (decrease) in allowances for expected losses	-31
Other	-2,365
Subtotal	-2,663
Interest and dividend income received	123
Income tax paid	-3,592
Cash flows from operating activities	-6,131
Cash flows from investing activities	
Payments into time deposits	-99
Proceeds from time deposits	25
Payments for acquisition of property and equipment	-45
Proceeds from sale of property and equipment	1
Payments for long-term guarantees	-3
Proceeds from recovery of long-term guarantees	51
Other	-2
Cash flows from investing activities	-71
Cash flows from financing activities	
Dividends paid	-731
Other	-3
Cash used in financing activities	-734
Effect of exchange rate changes on cash and cash equivalents	-65
Increase (decrease) in cash and cash equivalents	-7,003
Cash and cash equivalents at the beginning of period	29,131
Cash and cash equivalents at the end of period	22,128

Beginning with the current fiscal year, the Company applies the Financial Accounting Standard for Quarterly Financial Statements (Financial Accounting Standard No. 12) and the Application Guidelines for the Financial Accounting Standard for Quarterly Financial Statements (Financial Accounting Standard Application Guideline No. 14). The Company prepares its consolidated quarterly financial statements in accordance with the Rules Concerning the Preparation of Quarterly Consolidated Financial Statements.

(4) Notes concerning the going-concern assumption
None.

(5) Segment information

< Segment information by business division >

Three months ended June 30, 2008

Since the construction business division accounts for over 90 percent of combined segment sales and combined operating income, the presentation of segment information by business division has been omitted.

< Segment information by region >

Three months ended June 30, 2008

Since sales in Japan account for over 90 percent of combined segment sales, the segment information by region has been omitted.

< Overseas sales >

Three months ended June 30, 2008

	Southeast Asia	Other Asia	Other regions	Total
I. Overseas sales (million yen)	2,342	654	563	3,560
II. Consolidated sales (million yen)				29,854
III. Overseas sales in percent of consolidated sales (%)	7.8	2.2	1.9	11.9

Notes:

1. Segments by country and region are determined based on geographic proximity.

2. Individual geographic segments comprise the following countries and regions.

(1) Southeast Asia: Indonesia, Thailand, Philippines, Vietnam, Malaysia, Laos, etc.

(2) Other Asia: China, Taiwan, South Korea, India, Iraq, UAE, Kuwait, etc.

(3) Other countries and regions: North and South America; England, Africa, etc.

3. Overseas sales are sales that the Company and its consolidated subsidiaries make in countries or regions other than Japan.

(6) Notes in case of a significant change in shareholders' capital
None.

“Supplementary documentation”

Financial statements for the previous three-month period

Summary of consolidated income statement for the period under review
(Three months ended June 30, 2007)

(Unit: million yen)

Classification	1st Quarter of FY 2008
	Amount
Net sales	24,303
Cost of sales	20,941
Gross profit	3,362
Selling, general and administrative expenses	2,364
Operating income	998
Non-operating income	334
Non-operating expenses	23
Ordinary income	1,308
Income for the period before income taxes and minority interest	1,308
Tax expenses	604
Minority interest in income of consolidated subsidiaries	5
Net income	698