

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



October 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: Takakuni Iijima, Vice President and Director, Head of Accounting Division

TEL: 81-45-500-7012

Expected date of submitting quarterly report: November 11, 2008

Expected date of commencing dividend payments: December 8, 2008

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

(from April 1, 2008 to September 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 2 nd Qtr. FY3/09	70,938	—	4,199	—	4,507	—	2,429	—
End of 2 nd Qtr. FY3/08	78,708	19.7	4,074	122.1	4,384	124.7	2,496	136.7

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 2 nd Qtr. FY3/09	24.92	—
End of 2 nd Qtr. FY3/08	25.61	—

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity to total assets	Shareholders' equity per share
	Million yen	Million yen	%	Yen
End of 2 nd Qtr. FY3/09	142,049	70,378	49.5	721.39
FY 3/08	156,194	68,865	44.0	705.56

Reference: Equity – End of 2nd Qtr. FY3/09 ¥70,319 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	Yen	Yen
FY 3/08	—	7.50	—	7.50	15.00
FY 3/09	—	7.50	—	—	—
FY 3/09 (forecast)	—	—	—	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)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full fiscal year	162,000	-9.3	9,100	-15.7	9,700	-12.1	5,500	-12.5	56.42

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

4. Others

(1) Material changes in subsidiaries during the period (change of specified subsidiary due to changes in scope of consolidation): None

Newly added subsidiaries: None (subsidiary's name:)

Removed subsidiaries: None (subsidiary's name:)

(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 2nd 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 2nd Qtr. FY3/09: 179,222 shares; FY 3/08: 169,558 shares

3) Average number of shares outstanding during the period under review – End of 2nd Qtr. FY3/09: 97,482,771 shares; End of 2nd Qtr. FY3/08: 97,501,913 shares

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

a) 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.

b) Beginning with the current fiscal year, the Company applies the "Accounting Standard Concerning Quarterly Financial Statements" (Financial Accounting Standard No. 12; March 14, 2007) and the "Application Guidelines for Accounting Standards Concerning Quarterly Financial Statements" (Financial Accounting Standard Application Guideline No. 14; March 14, 2007). Quarterly consolidated financial statements are prepared in accordance with the "Rules Concerning the Preparation of Quarterly Consolidated Financial Statements."

“Qualitative information, financial statements, etc.”

1. Qualitative information regarding consolidated business results

The Japanese economy in the period under review reflected the strengthening global slowdown sparked off by the financial dislocation in the wake of the US sub-prime problem, with a mounting sense of uncertainty over signs of weakening in the hitherto earnings drivers exports and capital expenditure as well as personal consumption lacking strength.

Amid these conditions, new orders totaled ¥96,278 million, gaining 4.7% on the year. General industrial equipment declined, but periodic inspections and overhaul work on existing nuclear power generation facilities as well as overseas industrial-use power generation facilities increased. Net sales totaled ¥70,938 million, a drop of 9.9% on the year, due to lower domestic sales of industrial-use power generation facilities and public-works related sales.

Despite the sale decline, cost cutting effects lifted operating income and ordinary income, respectively, to ¥4,199 million (+3.1% over the 2nd quarter of FY 2008) and ¥4,507 million (+2.8% over the 2nd quarter of FY 2008), but net income for the period decreased to ¥2,429 million (-2.7% over the 2nd quarter of FY 2008)

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	34,879	24.4%	24,347	-16.4%
Nuclear Systems Division	24,492	40.2%	15,979	2.2%
Infrastructure and Industrial Systems Division	36,906	-20.6%	30,611	-9.8%
Total	96,278	4.7%	70,938	-9.9%

< Power Systems Division >

While orders dropped for transformer equipment for overseas hydro-power generation, industrial-use power generation facilities increased strongly. Sales reflect progress in domestic large-scale thermal power plant facilities, but industrial-use power generation facilities lost ground.

< 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. Sales of domestic general industrial applications were largely unchanged from a year earlier while public works and overseas demand declined.

Note: Percentage changes from last year shown above are provided for reference.

2. Qualitative information regarding consolidated financial conditions

Consolidated assets at the end of the period under review totaled ¥142,049 million, reflecting a decline of ¥14,145 million compared with the end of the previous fiscal year. This was mainly due to a ¥8,605 million increase in costs on uncompleted construction contracts and a ¥21,346 million decline in notes receivable and accounts receivable from completed construction contracts.

Consolidated liabilities at the end of the period under review totaled ¥71,670 million, declining ¥15,657 million less compared with the end of the previous fiscal year. This was mainly due to a decline in notes payable and accounts payable for construction contracts, etc., to ¥13,941 million.

Consolidated net assets at the end of the period under review totaled ¥70,378 million, an increase of ¥1,512 million compared with 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 further outlook, given the global economic slowdown triggered by financial dislocation in the US, prospects for the economy going forward call for caution. 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 August 29, 2008.

4. Others

(1) Material changes in subsidiaries during the period (change in the scope of consolidation due to change in specified subsidiaries): None

(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 Accounting Standards Concerning Quarterly Financial Statements and Rules Concerning the Preparation of Quarterly Consolidated Financial Statements

Beginning with the current fiscal year, the Company applies the "Accounting Standards Concerning Quarterly Financial Statements" (Financial Accounting Standard No. 12; March 14, 2007) and the "Application Guidelines for Accounting Standards Concerning Quarterly Financial Statements" (Financial Accounting Standard Application Guidelines No. 14; March 14, 2007). Quarterly consolidated financial statements are prepared in accordance with the "Rules Concerning the Preparation of Quarterly Consolidated Financial Statements."

2) 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.

3) 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. Second Quarter Consolidated Financial Statements

(1) Second Quarter Consolidated Balance Sheet

(Unit: million yen)

	At the end of the period under review (Sep. 30, 2008)	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2008)
(Assets)		
Current assets		
Cash and deposits	2,349	1,805
Deposit to Toshiba Capital Corporation	24,865	27,855
Trade notes and accounts receivable on completed projects	60,174	81,521
Uncompleted construction contracts	28,009	19,404
Other current assets	6,894	5,979
Allowance for doubtful accounts	-108	-109
Total current assets	122,185	136,458
Fixed assets		
Property, plant and equipment	7,029	7,045
Intangible assets	95	99
Investments and other assets		
Other investments	12,846	12,704
Allowance for doubtful accounts	-107	-114
Total investments and other assets	12,739	12,590
Total fixed assets	19,863	19,735
Total assets	142,049	156,194
(Liabilities)		
Current liabilities		
Trade notes and accounts payable for construction contracts	31,376	45,317
Accrued income taxes	2,064	3,359
Advances received on uncompleted contracts	6,285	6,630
Allowance for directors' bonuses	34	62
Allowance for warranty liabilities on completed projects	1,306	725
Allowance for expected losses on construction projects	64	467
Other current liabilities	7,826	8,586
Total current liabilities	48,957	65,148
Long-term liabilities		
Accrued pension and severance liabilities	22,585	22,045
Accrued directors' severance and retirement benefits	91	134
Other long-term liabilities	36	—
Total long-term liabilities	22,712	22,179
Total liabilities	71,670	87,328

(Unit: million yen)

	At the end of the period under review (Sep. 30, 2008)	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2008)
(Net assets)		
Shareholders' equity		
Common stock	11,876	11,876
Capital surplus	20,910	20,910
Retained earnings	37,648	35,959
Treasury stock	-92	-83
Total shareholders' equity	70,342	68,662
Valuation and currency translation adjustments		
Unrealized gains on securities	99	152
Currency translation adjustment	-122	-31
Total valuation and currency translation adjustments	-22	120
Minority interest in consolidated subsidiaries	58	82
Total net assets	70,378	68,865
Total liabilities and net assets	142,049	156,194

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

(Unit: million yen)

	Period under review (from Apr. 1, 2008 to Sep. 30, 2008)
Net sales	70,938
Cost of sales	61,613
Gross profit	9,325
Selling, general and administrative expenses	5,125
Operating income	4,199
Non-operating income	
Interest income	124
Dividend income	42
Investment income due to equity method	20
Insurance dividends	97
Other income	104
Total non-operating income	389
Non-operating expenses	
Foreign exchange loss	49
Other expenses	32
Total non-operating expenses	81
Ordinary income	4,507
Income for the period before income taxes and minority interest	4,507
Income taxes-current	2,214
Adjustments to income taxes	-133
Total income taxes	2,080
Minority interest in loss of consolidated subsidiaries	-2
Net income	2,429

(3) Second Quarter Consolidated Statements of Cash Flows

(Unit: million yen)

	Period under review (from Apr. 1, 2008 to Sep. 30, 2008)
Cash flows from operating activities	
Income before income taxes	4,507
Depreciation	349
Gains (losses) on disposal of property and equipment	7
Increase (decrease) in allowances for doubtful accounts	0
Increase (decrease) in allowances for pension and severance	523
Increase (decrease) in allowances for directors' severance and retirement benefits	-43
Interest and dividend income	-166
Increase (decrease) in trade receivables	21,269
Increase (decrease) in uncompleted contracts	-8,610
Increase (decrease) in purchase liabilities	-13,897
Increase (decrease) in advances received on uncompleted contracts	-292
Increase (decrease) in allowances for expected losses on construction projects	-402
Other	-1,290
Subtotal	1,952
Interest and dividend income received	183
Income tax paid	-3,468
Cash flows from operating activities	-1,332
Cash flows from investing activities	
Payments into time deposits	-105
Proceeds from time deposits	23
Payments into group funds	-360
Proceeds from group funds	450
Payments for acquisition of property and equipment	-369
Proceeds from sale of property and equipment	5
Payments for long-term guarantees	-10
Proceeds from recovery of long-term guarantees	58
Other	17
Cash flows from investing activities	-290
Cash flows from financing activities	
Dividends paid	-731
Other	-15
Cash flows from financing activities	-746
Effect of exchange rate changes on cash and cash equivalents	-56
Increase (decrease) in cash and cash equivalents	-2,426
Cash and cash equivalents at the beginning of period	29,131
Cash and cash equivalents at the end of period	26,705

Beginning with the current fiscal year, the Company applies the Financial Accounting Standard for Quarterly Financial Statements (Financial Accounting Standard No. 12; March 14, 2007) and the Application Guidelines for the Financial Accounting Standard for Quarterly Financial Statements (Financial Accounting Standard Application Guideline No. 14; March 14, 2007). 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 >

Six months ended September 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 >

Six months ended September 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 >

Six months ended September 30, 2008

	Southeast Asia	Other Asia	Other regions	Total
I. Overseas sales (million yen)	6,133	2,498	2,180	10,813
II. Consolidated sales (million yen)				70,938
III. Overseas sales in percent of consolidated sales (%)	8.6	3.5	3.1	15.2

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, UK, 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 second quarter of FY 2008

(1) Second Quarter Consolidated Statements of Cash Flows

(Unit: million yen)

Classification	Period under review (from Apr. 1, 2007 to Sep. 30, 2007)	
	Amount	% of Total
		%
I Net sales	78,708	100
II Cost of sales	69,629	88.5
Gross profit	9,079	11.5
III Selling, general and administrative expenses	5,004	6.3
Operating income	4,074	5.2
IV Non-operating income		
Interest income	124	
Dividend income	45	
Investment income due to equity method	15	
Insurance dividends	80	
Other income	95	
Total non-operating income	360	0.5
V Non-operating expenses		
Rental expenses	31	
Other expenses	19	
Total non-operating expenses	50	0.1
Ordinary income	4,384	5.6
VI Extraordinary gains	—	—
VII Extraordinary losses		
Loss on valuation of investment securities	11	0.0
Income for the period before income taxes and minority interest	4,373	5.6
Income taxes-current	1,482	1.9
Adjustments to income taxes	389	0.5
Minority interest in income of consolidated subsidiaries	4	0.0
Net income	2,496	3.2

(2) Second Quarter Consolidated Statements of Cash Flows

(Unit: million yen)

Classification	Period under review (from Apr. 1, 2007 to Sep. 30, 2007)
	Amount
I Cash flows from operating activities	
Income before income taxes	4,373
Depreciation	350
Decrease in allowances for doubtful accounts	-20
Increase in allowances for pension and severance	171
Decrease in allowances for directors' severance and retirement benefits	-55
Interest and dividend income	-169
Foreign exchange losses	20
Gains on sale of property, plant, and equipment	0
Losses on disposal of property, plant, and equipment	4
Investment income due to equity method	-15
Decrease in trade receivables	9,305
Increase in uncompleted contracts	-5,291
Increase in other current assets	-83
Decrease in purchase liabilities	-544
Decrease in advances received on uncompleted contracts	-2,101
Decrease in allowance for directors' bonuses	-33
Increase in allowances for warranty liabilities on completed projects	55
Decrease in allowances for expected losses on construction projects	-384
Decrease in other current liabilities	-1,213
Decrease in accrued consumption taxes	-1,792
Other	19
Subtotal	2,594
Interest and dividend income received	191
Income tax paid	-3,464
Cash flows from operating activities	-678
II Cash flows from investing activities	
Payments into time deposits	-2
Proceeds from time deposits	29
Payments into group funds	-550
Proceeds from group funds	450
Proceeds from collection of long-term loan	1
Payments for acquisition of property, plant, and equipment	-377
Proceeds from sale of property, plant, and equipment	1
Payment for purchase of investment securities	0
Payments for purchase of other investments, etc.	-20
Proceeds from sale of other investments, etc.	204
Cash flows from investing activities	-263
III Cash flows from financing activities	
Payments for purchase of own securities	-14
Dividends to shareholders	-1,462
Dividends to minority shareholders	0
Cash flows from financing activities	-1,478
IV Effect of exchange rate changes on cash and cash equivalents	67
V Decrease in cash and cash equivalents	-2,352
VI Cash and cash equivalents at the beginning of period	32,679
VII Cash and cash equivalents at the end of period	30,326

(5) Segment information

< Segment information by business division >

Six months ended September 30, 2007

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 >

Six months ended September 30, 2007

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

< Overseas sales >

Six months ended September 30, 2007

	Southeast Asia	Other Asia	Other regions	Total
I. Overseas sales (million yen)	5,447	5,143	1,476	12,067
II. Consolidated sales (million yen)				78,708
III. Overseas sales in percent of consolidated sales (%)	6.9	6.5	1.9	15.3

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, Yemen, UAE, Kuwait, etc.
 - 3) Other countries and regions: North and South America, Africa, etc.
3. Overseas sales are sales that the Company and its consolidated subsidiaries make in countries or regions other than Japan.