

Summary of Consolidated Financial Results for the Second Quarter of the Fiscal Year
Ending March 31, 2011 (J-GAAP)



October 29, 2010

Company Name: Toshiba Plant Systems & Services Corporation

(Code number: 1983 TSE 1st Section)

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

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Date of payment of dividends: December 6, 2010

Preparation of supplemental materials for quarterly account closing: Available

Results briefing on quarterly account closing: Available to institutional investors and analysts

1. Consolidated Results for the Second Quarter of the Fiscal Year Ending March 31, 2011

(from April 1, 2010 to September 30, 2010)

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

(1) Consolidated Operating Results

(percentages indicate changes compared to the previous second quarter)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
End of 2 nd Qtr. FY3/11	58,854	-4.9	3,202	-21.7	3,499	-22.5	1,939	-27.0
End of 2 nd Qtr. FY3/10	61,861	-12.8	4,088	-2.6	4,517	0.2	2,658	9.4

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 2 nd Qtr. FY3/11	19.91	—
End of 2 nd Qtr. FY3/10	27.27	—

(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. FY3/11	145,948	81,570	55.8	836.56
FY 3/10	150,962	80,825	53.5	829.00

Reference: Equity – End of 2nd Qtr. FY3/11: ¥81,511 million; FY 3/10: ¥80,777 million

2. Dividend

(Record date)	Annual dividends				
	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 3/10	—	7.50	—	7.50	15.00
FY 3/11	—	7.50			
FY 3/11 (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, 2011

(from April 1, 2010 to March 31, 2011)

(percentages indicate changes compared to the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full fiscal year	156,000	0.5	11,800	-8.5	12,000	-10.6	6,900	-12.0	70.82

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

4. Others (Note: For details, refer to "4. Others" on page 2 of Attachment)

(1) Material changes in subsidiaries during the period: None

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

Removed subsidiaries: None (subsidiary's name:)

(Note: This item inquires whether changes did occur, during the period under review, in specified subsidiaries in conjunction with a change in the scope of consolidation).

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

(Note: This item inquires whether the reporting entity applies simplified accounting treatment and special accounting treatment in the preparation of quarterly consolidated financial statements.)

(3) Changes in accounting principles, procedures, and method of presentation, etc

1) There were changes due to revised accounting standards

2) There were no changes other than 1)

(Note: This item inquires whether with regard to accounting principles, procedures, and presentation, etc., used in the preparation of quarterly consolidated financial statements, there was any change that are reportable in the section on "Changes in the Basis of Preparation of Quarterly Consolidated Financial Statements.")

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding as of the end of the period (including treasury stock)	End of 1 st Qtr. FY3/11	97,656,888 shares	FY 3/10	97,656,888 shares
2) Number of treasury shares outstanding as of the end of the period	End of 1 st Qtr. FY3/11	220,178 shares	FY 3/10	218,054 shares
3) Average number of shares outstanding during the period under review	End of 1 st Qtr. FY3/11	97,437,551 shares	End of 1 st Qtr. FY3/10	97,460,321 shares

Note 1: Information concerning the implementation of quarterly review procedures

This summary of quarterly financial results is not subject to quarterly review procedures pursuant to the Financial Instruments and Exchange Act. As of the disclosure of this summary of quarterly financial statements, the review procedures for quarterly financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

Note 2: 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.

[Attachment]

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1. Qualitative information regarding consolidated business results

The Japanese economy in the period under review moved on a moderate recovery path thanks mainly to the government's economic stimulus measures. However, with corporations maintaining their cautious stance toward new capital expenditure and with the ongoing rapid yen appreciation, the outlook for the economy remained uncertain.

In this environment, new order received by the group totaled 73,581 million yen (-0.6% on the year) with sales revenue of 58,854 million yen (-4.9% on the year). Earnings surpassed initial projections, with operating income of 3,202 million yen (-21.7% on the year), ordinary income of 3,499 million yen (-22.5% on the year), and net income of 1,939 million yen (-27.0% on the year).

Results by segment developed as follows.

Notably, business segment information has been modified beginning with period under review. Details of the modifications are stated on page 8, Section 5. Quarterly Consolidated Financial Statements, (5) Segment information.

< Power Plant Systems Division >

New orders declined due to project deferrals affecting domestic and overseas orders for thermal power plant facilities, even though periodic inspections and overhaul work on power generation facilities exceeded initial projections. Sales revenues beat original estimates mainly thanks to increased construction-related works and periodic inspections and overhaul work on domestic power generation facilities. As a result, new orders marked 41,251 million yen, with sales revenue of 34,122 million yen and ordinary income of 2,333 million yen.

< Infrastructure and Industrial Systems Division >

New orders declined as projects in the general industrial applications were deferred to later periods, even though substation-related works rose above the initial forecasts. Sales revenue increased above original projections, lifted by higher orders for substation facilities and public utilities. As a result, new orders totaled 32,330 million yen, with sales revenue of 24,732 million yen and ordinary income of 1,165 million yen.

2. Qualitative information regarding consolidated financial conditions

Consolidated assets at the end of the period under review totaled ¥145,948 million, reflecting a decline of ¥5,013 million. This was mainly due to an increase to 9,208 million yen in the sum of cash and deposits and Group deposits with Toshiba Capital Corporation, a 6,605 million yen increase in costs of uncompleted construction contracts, and a 20,032 million yen decline in notes and accounts receivable from completed construction contracts.

Consolidated liabilities at the end of the period under review totaled ¥64,378 million, declining ¥5,758 million compared with the end of the previous financial quarter. This was mainly because, in spite of a ¥1,117 million increase in costs on uncompleted construction contracts, there was a ¥1,801 million drop in notes payable and accounts payable for construction contracts, etc., and a ¥3,786 million decline in accrued income taxes.

Consolidated net assets at the end of the period under review totaled ¥81,570 million, an increase of ¥744 million since the end of the previous fiscal year.

3. Qualitative information regarding projected consolidated results

There are no amendments to the financial results forecasts announced on April 28, 2010.

4. Others

(1) Material changes in subsidiaries during the period under review: No

(2) Application of simplified and special accounting treatment:

- 1) Application of simplified accounting procedures: Not applied.
- 2) Application of special accounting procedures: Not applied.

(3) Changes in accounting principles, procedures, and method of presentation, etc

- Application of the Accounting Standard for Asset Retirement Obligations

Beginning with the period under review, the Company applies the Accounting Standard for Asset Retirement Obligations (Accounting Standard No. 18; March 31, 2008) and the Application Guideline for the Accounting Standard for Asset Retirement Obligations (Accounting Standard Application Guideline No. 21; March 31, 2008). The effect of this accounting change on income is negligible.

- Application of the Equity Method Accounting Standard and the Practical Solution for the Application of Equity Method Accounting

Beginning with the period under review, the Company applies the Equity Method Accounting Standard (Accounting Standard No. 16; March 10, 2008) and the Practical Solution for the Application of Equity Method Accounting (Practical Solution Statement No. 24; March 10, 2008), for which the necessary adjustments were made on consolidated accounts. The effect of this accounting change on income is negligible.

5. Second Quarter Consolidated Financial Statements

(1) Second Quarter Consolidated Balance Sheet

(Unit: million yen)

Classification	At the end of the period under review (Sep. 30, 2010)	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2010)
(Assets)		
Current assets		
Cash and deposits	2,653	2,167
Deposit to Toshiba Capital Corporation	37,783	29,060
Trade notes and accounts receivable on completed projects	56,148	76,181
Uncompleted construction contracts	22,759	16,154
Other current assets	6,053	6,785
Allowance for doubtful accounts	-171	-14
Total current assets	125,226	130,334
Fixed assets		
Property, plant and equipment	6,681	6,457
Intangible assets	141	149
Investments and other assets		
Other investments	14,019	14,254
Allowance for doubtful accounts	-121	-233
Total investments and other assets	13,898	14,021
Total fixed assets	20,721	20,628
Total assets	145,948	150,962
(Liabilities)		
Current liabilities		
Trade notes and accounts payable for construction contracts	22,879	24,680
Accrued income taxes	1,319	5,105
Advances received on uncompleted contracts	4,804	3,687
Allowance for directors' bonuses	31	63
Allowance for warranty liabilities on completed projects	958	1,005
Allowance for expected losses on construction projects	54	434
Other current liabilities	7,670	9,491
Total current liabilities	37,716	44,468
Long-term liabilities		
Accrued pension and severance liabilities	26,512	25,527
Accrued directors' severance and retirement benefits	30	40
Other long-term liabilities	118	99
Total long-term liabilities	26,661	25,668
Total liabilities	64,378	70,136

5. Second Quarter Consolidated Financial Statements

(1) Second Quarter Consolidated Balance Sheet

(Unit: million yen)

Classification	At the end of the period under review (Sep. 30, 2010)	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2010)
(Net assets)		
Shareholders' equity		
Common stock	11,876	11,876
Capital surplus	20,910	20,910
Retained earnings	49,379	48,170
Treasury stock	-135	-132
Total shareholders' equity	82,031	80,824
Valuation and currency translation adjustments		
Unrealized gains on securities	-403	37
Currency translation adjustment	-115	-84
Total valuation and currency translation adjustments	-519	-47
Minority interest in consolidated subsidiaries	58	48
Total net assets	81,570	80,825
Total liabilities and net assets	145,948	150,962

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

(Unit: million yen)

Classification	Period under review (from Apr. 1, 2009 to Sep. 30, 2009)	Period under review (from Apr. 1, 2010 to Sep. 30, 2010)
Net sales	61,861	58,854
Cost of sales	52,692	50,451
Gross profit	9,169	8,403
Selling, general and administrative expenses	5,080	5,200
Operating income	4,088	3,202
Non-operating income		
Interest income	46	79
Dividend income	34	54
Investment income due to equity method	42	18
Insurance dividends	120	143
Foreign exchange gains	172	—
Other income	42	57
Total non-operating income	458	353
Non-operating expenses		
Provision for doubtful accounts	10	—
Loss on disposal of fixed assets	8	—
Foreign exchange loss	—	36
Other expenses	10	20
Total non-operating expenses	28	56
Ordinary income	4,517	3,499
Income for the period before income taxes and minority interest	4,517	3,499
Income taxes-current	1,313	1,000
Adjustments to income taxes	550	546
Total income taxes	1,863	1,546
Net income before minority interest	—	1,952
Minority interest in income (loss)	-3	12
Net income	2,658	1,939

(3) Second Quarter Consolidated Statements of Cash Flows

(Unit: million yen)

Classification	Period under review (from Apr. 1, 2009 to Sep. 30, 2009)	Period under review (from Apr. 1, 2010 to Sep. 30, 2010)
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	4,517	3,499
Depreciation	348	316
Gains (losses) on disposal of property and equipment	12	8
Increase (decrease) in allowances for doubtful accounts	9	156
Increase (decrease) in allowances for pension and severance	1,065	986
Increase (decrease) in allowances for directors' severance and retirement benefits	-86	-10
Interest and dividend income	-81	-133
Interest expense	0	—
Increase (decrease) in trade receivable	20,707	20,016
Increase (decrease) in uncompleted contracts	-10,389	-6,605
Increase (decrease) in purchase liabilities	-9,212	-1,800
Increase (decrease) in advances received on uncompleted contracts	1,372	1,125
Increase (decrease) in allowances for expected losses on construction projects	2	-379
Other	-2,339	-2,041
Subtotal	5,927	15,137
Interest and dividend income received	101	156
Interest paid	0	—
Head office transfer cost paid	—	-178
Income tax paid	-4,803	-4,831
Cash flows from operating activities	1,225	10,283
Cash flows from investing activities		
Payments into time deposits	-56	-267
Proceeds from time deposits	34	116
Payments into group funds	-100	-630
Proceeds from group funds	450	630
Expenditure for short-term loans	-29	-20
Proceeds from the collection of short-term loans	29	18
Payments for acquisition of property and equipment	-322	-484
Proceeds from sale of property and equipment	4	0
Payment for long-term guarantees	-5	-5
Proceeds from recovery of long-term guarantees	47	144
Others	0	40
Cash flows from investing activities	50	-458
Cash flows from financing activities		
Income from short-term borrowings	800	—
Expenditure for repayment of short-term borrowings	-800	—
Dividends paid	-730	-730
Others	-13	-7
Cash flows from financing activities	-744	-738
Effect of exchange rate changes on cash and cash equivalents	22	-24
Increase (decrease) in cash and cash equivalents	554	9,062
Cash and cash equivalents at the beginning of period	22,739	30,554
Cash and cash equivalents at the end of period	23,294	39,616

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

(5) Segment information

< Segment information by business division >

Six months ended September 30, 2009

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, 2009

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 June 30, 2009

	Southeast Asia	Other Asia	Other regions	Total
I. Overseas sales (million yen)	3,628	1,151	4,089	8,868
II. Consolidated sales (million yen)				61,861
III. Overseas sales in percent of consolidated sales (%)	5.9	1.8	6.6	14.3

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

[Segment information]

(i) Business report by segment

Six months ended September 30, 2010

The Company's segments to be reported on are the structural units of the Group for which segregated financial information is available and which are subject to periodic reviews to determine the allocation of management resources and assess operating performance.

The Company has established business divisions by business line. With the business activities pursued under consistent business strategies, ranging from engineering, procurement, execution, trial run, adjustments, through servicing, the Company's segments to be reported on are defined by aggregating shared technologies and shared facilities, such that the Company divides the segments into two: the Power Plant Systems Division and the Infrastructure and Industrial Systems Division.

The Power Plant Systems Division engages in the business of providing planning, designing, supervision and construction, test running, and maintenance of thermal-, hydro-, and nuclear power generation facilities. The Infrastructure and Industrial Systems Divisions engages in the business of providing planning, designing, supervision and construction, test running, and maintenance of substation facilities, public utilities and general industrial facilities, building facilities, and information related operations.

(ii) Sales and P&L information by the segment
Six months ended September 30, 2010

(Unit: million yen)

	Power Plant Systems Division	Infrastructure and Industrial Systems Division	Total
Net sales			
Net sales to external customers	34,122	24,732	58,854
Internal sales between segments or transers	534	42	576
Total	34,656	24,775	59,431
Segment income (loss)	2,333	1,165	3,499

(iii) Total income or loss of the segments to be reported on, difference in income or loss reported in the financial statement for the period under review, and main items accounting for the difference (Matters concerning adjustment of differences)

Six months ended September 30, 2010

(Unit: million yen)

Income	Amount
Segments -Total	3,499
Ordinary income reported in the statement of income for the period	3,499

Additional information

Beginning with the period under review, the Company applies the Accounting Standard for Disclosure about Segments of an Enterprise and Related Information (Accounting Standard No. 17; March 27, 2009) and its Implementation Guidance (Accounting Standard Application Guideline No. 20; March 21, 2008).

(6) Notes in case of a significant change in shareholders' capital
Not applicable.