

Summary of Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2012 (J-GAAP)



October 31, 2011

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 5, 2011

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, 2012

(from April 1, 2011 to September 30, 2011)

(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. FY3/12	62,495	6.2	4,695	46.6	4,784	36.7	2,470	27.4
End of 2 nd Qtr. FY3/11	58,854	-4.9	3,202	-21.7	3,499	-22.5	1,939	-27.0

Note: Comprehensive income – End of 2nd Qtr. FY3/12: ¥2,403 million (62.5%); End of 2nd Qtr. FY3/11: ¥1,479 million (–%)

	Net income per share	Net income per share, diluted
	Yen	Yen
End of 2 nd Qtr. FY3/12	25.36	—
End of 2 nd Qtr. FY3/11	19.91	—

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity to total assets
	Million yen	Million yen	%
End of 2 nd Qtr. FY3/12	154,222	86,718	56.2
FY 3/11	167,335	85,048	50.8

Reference: Equity – End of 2nd Qtr. FY3/12: ¥86,649 million; FY 3/11: ¥84,979 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 3/11	—	7.50	—	7.50	15.00
FY 3/12	—	7.50			
FY 3/12 (forecast)			—	7.50	15.00

Note: Revision of recently announced dividend forecasts: None

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2012
(from April 1, 2011 to March 31, 2012)

(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	160,000	5.9	12,800	-2.7	13,000	-3.0	7,500	30.6	76.98

Note: Revision of recently announced financial forecasts: None

4. Others

(1) Material changes in significant subsidiaries in the current quarter (change in specified subsidiaries associated with a change in the scope of consolidation): None

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

Removed subsidiaries: None (subsidiary's name:)

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

(3) Change in accounting policy, change in accounting estimates, and/or corrective restatements

(i) Change in accounting policy due to revision of accounting standards: Changed

(ii) Change in accounting policy other than Item (i): Changed

(iii) Change in accounting estimates: None

(iv) Corrective restatement: None

(4) Number of outstanding shares (common shares)

1) Number of shares outstanding as of the end of the period (including treasury stock)	End of 2 nd Qtr. FY3/12	97,656,888 shares	FY 3/11	97,656,888 shares
2) Number of treasury shares outstanding as of the end of the period	End of 2 nd Qtr. FY3/12	225,367 shares	FY 3/11	223,296 shares
3) Average number of shares outstanding during the period under review	End of 2 nd Qtr. FY3/12	97,432,623 shares	End of 2 nd Qtr. FY3/11	97,437,551 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 was on the way to recovery amid progress in supply chain restoration from the damage caused by the Great East Japan Earthquake, rebounding production in manufacturing centered on exporting industries, and improving personal consumption. Nonetheless, the outlook grew increasingly uncertain as the appreciating yen and falling stock prices reflected concerns over economic deceleration in the U.S. and the fiscal crisis in Europe.

In this environment, new orders received by the group totaled ¥71,281 million with sales of ¥62,495 million. As for earnings, operating income amounted to ¥4,695 million, ahead of initial projections, with ordinary income of ¥4,784 million and net income for the period of ¥2,470 million.

Results by segment developed as follows.

< Power Plant Systems Division >

New order receipts increased on the back of order growth surrounding domestic thermal power plant facilities. Sales increased thanks to the rise in new order receipts related to domestic thermal power plant facilities.

< Infrastructure and Industrial Systems Division >

New orders and sales both declined mainly due to fewer utilities projects.

New orders received and net sales by segment

Division	New orders received (million yen)	Year-over-year basis	Net sales (million yen)	Year-over-year basis	Ordinary income (million yen)	Year-over-year basis
Power Plant Systems Division	42,633	3.4%	38,854	13.9%	3,613	54.9%
Infrastructure and Industrial Systems Division	28,647	-11.4%	23,640	-4.4%	1,170	0.5%
Total	71,281	-3.1%	62,495	6.2%	4,784	36.7%

2. Qualitative information regarding consolidated financial conditions

Consolidated assets at the end of the period under review totaled ¥154,222 million, reflecting a decline of ¥13,113 million. This was mainly due to a ¥10,094 million increase in costs of uncompleted construction contracts and a ¥20,456 million drop in notes receivable and accounts receivable from completed construction contracts.

Consolidated liabilities at the end of the period under review totaled ¥67,504 million, reflecting a decline of ¥14,783 million compared with the end of the previous fiscal year. Main factors were a ¥11,422 million drop in notes payable and accounts payable for construction contracts, and a ¥3,714 million decline in income taxes payable.

Consolidated net assets at the end of the period under review totaled ¥86,718 million, an increase of ¥1,670 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 July 28, 2011.

4. Matters concerning summary information (Others)

(1) Change in significant subsidiaries in the current quarter (change in specified subsidiaries associated with a change in the scope of consolidation): No

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

(3) Change in accounting policy, change in accounting estimates, and/or corrective restatements

- Change in the treatment of forward exchange contracts related to foreign-denominated scheduled transactions

Forward exchange contracts related to foreign-denominated scheduled transactions were previously valued at market, with valuation differences taken to earnings. Beginning with the fiscal year under review, hedge accounting pursuant to the deferred hedge accounting method is applied. This accounting change was made associated with a revision of the Company's currency risk management policy in order to appropriately reflect currency risk management actions in financial statements and for a more appropriate presentation of the financial status and operating results.

Since the prior-period effects from this accounting change are insignificant, retroactive application has been omitted. Effects on income are negligible.

- Application of the Accounting Standard for Accounting Changes and Error Corrections

With respect to accounting changes and corrections of past errors implemented on or after the first day of the quarter under review, the Company applies the "Accounting Standard for Accounting Changes and Error Corrections" (Accounting Standard No. 24; December 4, 2009) and the "Application Guideline for the Accounting Standard for Accounting Changes and Error Corrections" (Accounting Standard Application Guideline No. 24; December 4, 2009).

5. Second quarter consolidated financial statements

(1) Second quarter consolidated balance sheet

(Unit: million yen)

Classification	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2011)	At the end of the period under review (Sep. 30, 2011)
(Assets)		
Current assets		
Cash and deposits	4,308	3,586
Deposit to Toshiba Corporation	37,425	38,700
Trade notes and accounts receivable	78,938	58,481
Uncompleted construction contracts	17,936	28,031
Other current assets	9,521	6,545
Allowance for doubtful accounts	-202	-349
Total current assets	147,927	134,995
Fixed assets		
Property, plant and equipment	6,510	6,462
Intangible assets	133	128
Investments and other assets		
Other investment	12,883	12,761
Allowance for doubtful accounts	-119	-126
Total investments and other assets	12,763	12,635
Total fixed assets	19,408	19,226
Total assets	167,335	154,222
(Liabilities)		
Current liabilities		
Trade notes and accounts payable	34,965	23,542
Accrued income taxes	5,711	1,997
Advances received on uncompleted contracts	3,778	5,165
Allowance for directors' bonuses	70	33
Allowance for warranty liabilities on completed projects	857	680
Allowance for expected losses on construction projects	-	41
Other current liabilities	9,166	8,107
Total current liabilities	54,551	39,568
Long-term liabilities		
Accrued pension and severance liabilities	27,553	27,801
Accrued directors' severance and retirement benefits	36	21
Other long-term liabilities	145	113
Total long-term liabilities	27,736	27,936
Total liabilities	82,287	67,504

5. Second quarter consolidated financial statements

(1) Second quarter consolidated balance sheet

(Unit: million yen)

Classification	Summary of consolidated balance sheets at the end of the previous fiscal year (Mar. 31, 2011)	At the end of the period under review (Sep. 30, 2011)
(Net assets)		
Shareholders' equity		
Common stock	11,876	11,876
Capital surplus	20,910	20,910
Retained earnings	52,450	54,190
Treasury stock	-138	-140
Total shareholders' equity	85,098	86,837
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	8	3
Deferred gains or losses on hedges	-	50
Currency translation adjustment	-127	-241
Other accumulated comprehensive income - Total	-118	-187
Minority interest in consolidated subsidiaries	68	69
Total net assets	85,048	86,718
Total liabilities and net assets	167,335	154,222

(2) Second quarter consolidated statement of income and consolidated statement of comprehensive income
(Second quarter consolidated income statement)
(Second quarter consolidated period)

(Unit: million yen)

Classification	Second quarter consolidated period of the previous fiscal year (from Apr. 1, 2010 to Sep. 30, 2010)	Period under review (from Apr. 1, 2011 to Sep. 30, 2011)
Net sales	58,854	62,495
Cost of sales	50,451	52,717
Gross profit	8,403	9,777
Selling, general and administrative expenses	5,200	5,081
Operating income	3,202	4,695
Non-operating income		
Interest income	79	81
Dividend income	54	12
Investment income due to equity method	18	19
Dividends from insurance	143	139
Other income	57	71
Total non-operating income	353	323
Non-operating expenses		
Foreign exchange losses	36	220
Other expenses	20	14
Total non-operating expenses	56	234
Ordinary income	3,499	4,784
Extraordinary losses		
Loss on valuation of investment securities	-	229
Total extraordinary losses	-	229
Income for the period before income taxes and minority interest	3,499	4,554
Income taxes-current	1,000	1,345
Adjustments to income taxes	546	734
Total income taxes	1,546	2,080
Net income before minority interest	1,952	2,474
Minority interests in income	12	3
Net income	1,939	2,470

(Second quarter consolidated comprehensive income statement)
(Second quarter consolidated period)

(Unit: million yen)

Classification	Second quarter consolidated period of the previous fiscal year (from Apr. 1, 2010 to Sep. 30, 2010)	Period under review (from Apr. 1, 2011 to Sep. 30, 2011)
Net income before minority interest	1,952	2,474
Other comprehensive income		
Valuation difference on available-for-sale securities	-441	-4
Deferred gains or losses on hedges	-	50
Currency translation adjustment	-31	-116
Total other comprehensive income	-473	-70
Comprehensive income for the quarter	1,479	2,403
(Breakdown)		
Comprehensive income attribute to owners of the parent company	1,467	2,401
Comprehensive income attribute to minority interests	11	1

(3) Second quarter consolidated statements of cash flows

(Unit: million yen)

Classification	Period under review (from Apr. 1, 2010 to Sep. 30, 2010)	Period under review (from Apr. 1, 2011 to Sep. 30, 2011)
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	3,499	4,554
Depreciation	316	357
Gains (losses) on disposal of property and equipment	8	17
Increase (decrease) in valuation difference on available-for-sale securities	-	229
Increase (decrease) in allowances for doubtful accounts	156	153
Increase (decrease) in allowances for pension and severance	986	252
Increase (decrease) in allowances for directors' severance and retirement benefits	-10	-15
Interest and dividend income	-133	-93
Increase (decrease) in trade receivable	20,016	20,416
Increase (decrease) in uncompleted contracts	-6,605	-10,101
Increase (decrease) in purchase liabilities	-1,800	-11,401
Increase (decrease) in advances received on uncompleted contracts	1,125	1,468
Increase (decrease) in allowances for expected losses on construction projects	-379	41
Other	-2,041	830
Subtotal	15,137	6,711
Interest and dividend income received	156	122
Head office transfer cost paid	-178	-
Income tax paid	-4,831	-5,071
Cash flows from operating activities	10,283	1,761
Cash flows from investing activities		
Payments into time deposits	-267	0
Proceeds from time deposits	116	113
Payments into group funds	-630	-760
Proceeds from group funds	630	810
Expenditure for short-term loans	-20	-
Proceeds from the collection of short-term loans	18	2
Payments for acquisition of property and equipment	-484	-275
Proceeds from sale of property and equipment	0	1
Payment for long-term guarantees	-5	-18
Proceeds from recovery of long-term guarantees	144	9
Others	40	-10
Cash flows from investing activities	-458	-127
Cash flows from financing activities		
Dividends paid	-730	-730
Others	-7	-9
Cash flows from financing activities	-738	-740
Effect of exchange rate changes on cash and cash equivalents	-24	-171
Increase (decrease) in cash and cash equivalents	9,062	722
Cash and cash equivalents at the beginning of period	30,554	40,874
Cash and cash equivalents at the end of period	39,616	41,596

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

(5) Segment information etc.

< Segment information >

I. Six months ended Sep 30, 2010 (from April 1, 2010 to Sep 30, 2010)

1. Sales revenue and income or loss by reportable segment

(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	2,333	1,165	3,499

2. 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)

(Unit: million yen)

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

II. Six months ended Sep 30, 2011 (from April 1, 2011 to Sep 30, 2011)

1. Sales revenue and income or loss by reportable segment

(Unit: million yen)

	Power Plant Systems Division	Infrastructure and Industrial Systems Division	Total
Net sales			
Net sales to external customers	38,854	23,640	62,495
Internal sales between segments or transers	74	34	109
Total	38,928	23,675	62,604
Segment income	3,613	1,170	4,784

2. 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)

(Unit: million yen)

Income	Amount
Segments -Total	4,784
Ordinary income reported in the statement of income for the period	4,784

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