TOSHIBA
Leading Innovation

Annual Report 2009

TOSHIBA PLANT SYSTEMS & SERVICES CORPORATION

Basic Commitment of the TOSHIBA Group

We, the Toshiba Group companies, based on our total commitment to people and to the future, are determined to help create a higher quality of life for all people, and to do our part to help ensure that progress continues within the world community.

Commitment to People

We endeavor to serve the needs of all people, especially our customers, shareholders, and employees, by implementing forward-looking corporate strategies while carrying out responsible and responsive business activities. As good corporate citizens, we actively contribute to further the goals of society.

Commitment to the Future

By continually developing innovative technologies centering on the fields of Electronics and Energy, we strive to create products and services that enhance human life, and which lead to a thriving, healthy society. We constantly seek new approaches that help realize the goals of the world community, including ways to improve the global environment.

Committed to People, Committed to the Future. TOSHIBA

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Forward-Looking Statements

In this annual report, statements other than historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ materially from those anticipated in these statements.

Note: In this annual report, planning and design are referred to as "engineering," while field testing, trial operation, adjustment and service are referred to as "field service."

To Our Shareholders, Customers and Friends

I am pleased to have this opportunity to report to our shareholders, customers, friends and other stakeholders on the business results of Toshiba Plant Systems & Services Corporation for fiscal 2008, ended March 31, 2009.

Tetsuo Ishii
President and Chief Executive Officer, Representative Director

Overview of Performance During the Fiscal Year

During the fiscal year under review, amid the slowdown of the global economy triggered by financial turmoil in the United States, the Japanese economy became more severe and the financial crisis became pronounced from the second half of the term. The impact of these circumstances resulted in significant fluctuations in stock and foreign currency markets as well as a rapid decline in exports and production, which led to further postponements in capital investment and a worsening of the employment situation.

Despite relatively robust capital spending on electric power facilities from the previous fiscal year, business conditions surrounding the Group were harsh. This was evidenced by an ongoing curtailment of public-sector investment as well as a series of postponements and freezes of private-sector capital investment mainly for large-scale projects.

Principal Initiatives Undertaken During the Year

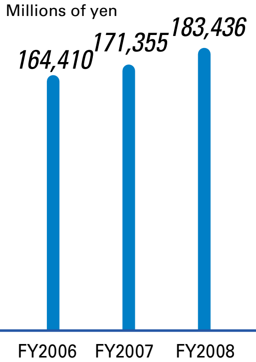
In aiming to be an excellent company maintaining profitable and sustainable growth, we established three basic initiatives under our 2008 medium-term management plan, specifically, achieving profitable and sustainable growth, pursing innovation through Toshiba's BCM* management system and implementing corporate social responsibility (CSR) oriented management.

In achieving profitable and sustainable growth, we have undertaken measures to strengthen the structure the nuclear power, industrial power plant and comprehensive plant and facilities businesses, which are positioned as growth fields, as well as improved the structure of the comprehensive plant and facilities business by establishing the Industrial Systems Division. Additionally, in the nuclear power and industrial power plant businesses, we have conducted the reallocation of resources company-wide and reinforced the overseas response capabilities of the Nuclear Power Systems Division, while also establishing an integrated system for projects handled by the Thermal Power Systems and Service Division in August 2008. Furthermore, we have vigorously promoted various measures such as bolstering sales power and technological capabilities as well as strengthening cost competitiveness across the board.

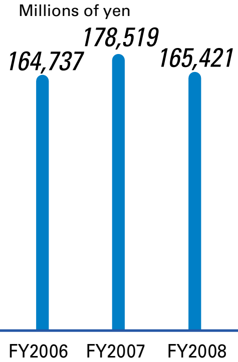
*Balanced CTQ Management (BCM) is a Toshiba business management methodology developed to achieve its business vision.

Key Financial Figures (CONSOLIDATED) Fiscal years ended March 31

Net Orders



Net Sales



In pursing innovation through Toshiba's BCM management system, we have undertaken measures to strengthen the framework of BCM as a Group-wide activity, in which we expanded the scope of BCM activities that have been previously developed at respective organizational levels to an individual level, along with introducing this initiative throughout the Group in October.

With regard to implementing CSR-oriented management, in order to become a Group that is trusted by society by placing the highest priority on life, safety and compliance in all of our business activities, we have established the CSR Promotion Committee and improved systems to systematically implement social contribution activities and activities aimed at reducing environmental loads. Together with strengthening efforts related to compliance and risk management in terms of laws, social norms, ethics and other aspects, we have also proactively promoted activities in various areas such as social contribution, compliance with laws and regulations and respect for human rights in an effort to enhance the quality of business management. In tandem, we are pursuing continuous improvement of our quality management system. Through such means, we are working to realize sound and first-rate management.

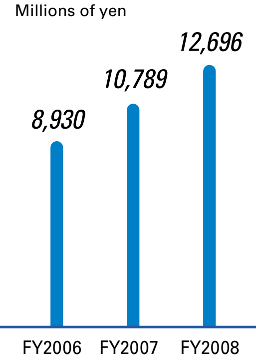
Consequently, despite a decline in orders in the Infrastructure and Industrial Systems Division, net orders rose 7.1% over the previous year to ¥183,436 million due to an increase in orders in the Power Systems Division and Nuclear Power Systems Division. Of this amount, overseas orders totaled ¥30,881 million, up 27.1% year-on-year and accounting for 16.8% of total orders.

Net sales decreased 7.3% to ¥165,421 million owing to a decline in business in the Power Systems Division and Infrastructure and Industrial Systems Division. Of this amount, overseas sales were ¥25,107 million, down 5.3% year-on-year and accounting for 15.2% of overall net sales.

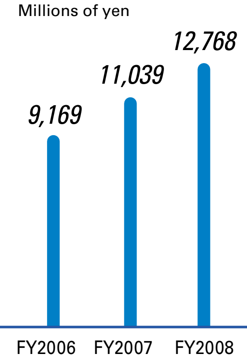
On the profits side, despite a decrease in net sales, as a result of vigorously promoting the optimization of business processes and cost reduction measures including the reduction of procurement costs through greater collaboration by procurement and operational departments, operating income rose 17.7% to ¥12,696 million, ordinary income increased 15.7% to ¥12,768 million and net income climbed 16.2% to ¥7,304 million, thus achieving record-high profits.

Based on this performance, the Company announced cash dividends of ¥15.0 per share, evenly split between the interim and year-end dividend.

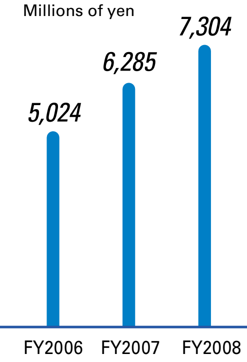
Operating Income



Income before Extraordinary Items



Net Income



Future Approach and the Medium-Term Management Plan

Faced with the global recession and in spite of anticipated economic measures by the government, there is little prospect for the Japanese economy to fully recover in the foreseeable future amid the stagnation of global business activities, a reduction in private-sector capital investment and a decline in exports in addition to a contraction in consumer spending.

Under the basic initiatives of the 2009 Medium-Term Management Plan, in order to achieve further sustainable growth and implement measures that accurately respond to changes in our business environment, the Group will continue to strategically allocate resources to growth areas directed toward business expansion through the concentration of resources. At the same time, we will undertake concerted efforts to maintain and improve business results by such means as strengthening cost competitiveness, including the reduction of procurement costs and promotion of business efficiency.

Consolidated targets for fiscal 2011, ending March 31, 2012, are net sales of ¥180 billion and ordinary income of ¥11.5 billion.

Building on our wide range of technologies in such fields as plant engineering and information systems that underpin our high reputation earned over the years, we will pursue even more advanced technology development. Based on the Group concepts of “Security and Safety,” we will contribute to social progress and development through the creation of a foundation that supports both industry and society as a whole.

“To be an excellent company maintaining profitable and sustainable growth,” we will endeavor to respond quickly to market changes, as well as ensure the world-class quality and safety of our operations. In terms of our overall business activities, we will promote CSR management through such measures as complying with laws and regulations, protecting the environment, respecting human rights and ensuring the protection of personal information. Through these activities, we will seek to build a strong relationship of trust with our customers, shareholders, employees and other stakeholders, and to enhance our corporate value.

In these endeavors, we ask for your continued guidance and support.

June 2009

Tetsuo Ishii

President and Chief Executive Officer,
Representative Director

2009 Medium-Term Management Plan Outline

Toward Becoming an Excellent Company Maintaining Profitable and Sustainable Growth

To be "an excellent company maintaining profitable and sustainable growth," we created the 2009 medium-term management plan that got under way in the fiscal year under review. We are proceeding to implement specific measures based on the three basic initiatives of the plan, specifically, achieving profitable and sustainable growth, pursing innovation through Toshiba's BCM* management system and implementing CSR-oriented management.

The consolidated targets for fiscal 2011, the final year of the medium-term management plan, are net sales of ¥180 billion and ordinary income of ¥11.5 billion.

2009 Medium-Term Management Plan—Basic Strategies

Achieving Profitable and Sustainable Growth

We will proactively allocate resources strategically to growth fields. In addition to reinforcing sales power and maintaining or upgrading technological capabilities, we will continue our efforts to strengthen cost competitiveness. In business operated for the Toshiba Group, we are seeking to expand the scope of our business responsibility and promote transactions with peripheral businesses, aiming to expand our business scale in the nuclear power, thermal power, hydroelectric power and substation fields. In non-Toshiba Group business, we are aiming to strengthen our efforts in the comprehensive plant and equipment business for general industry and to expand our business domain by using our comprehensive capabilities in engineering, construction, local procurement and testing and maintenance. In addition, we will target further expansion of the industrial power plant business and aggressively solicit orders in Japan and overseas.

Pursing Innovation through Toshiba's BCM Management System*

In response to the goals set by top management, business divisions formulate their own business strategies, which the departments and sections of the division then break down into measures to achieve those business strategies. The end of the line in this trickle down of business objectives is the personal goals of individual employees. By implementing strategic measures based on fully adequate communications at all levels, the Group initiates successive innovations in driving toward its cascade of goals encompassing the business strategy to personal goal levels.

* Balanced CTQ Management (BCM) is a Toshiba business management methodology developed to achieve its business vision.

Implementing CSR-Oriented Management

In all our business activities, we give top priority to life, safety and compliance with laws and regulations. Our goal as the Toshiba Plant Systems & Services Group is to win the trust of society. Specifically, guided by an organization headed up by the CSR Promotion Committee, we are systematically promoting business risk management and thorough compliance, elimination of work accidents through strict safety management, maintaining and enhancing product quality and conducting activities to reduce the burden placed by our businesses on the environment and to contribute to society. In addition, through the careful observance of the Toshiba Plant Systems & Services business code of conduct standards, we are building a strong relationship of trust with our stakeholders.

CSR Activity Report

Social Contribution Activity Report

Supporting the Solar Lantern Project

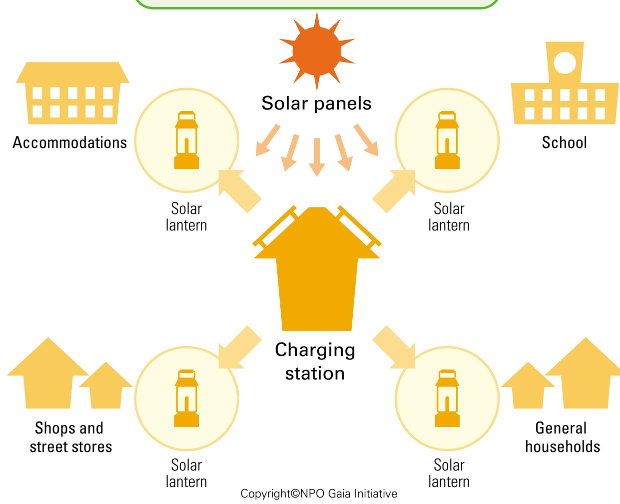
The Solar Lantern Project is an initiative to light up daily living by donating charging facilities and solar lanterns that use solar batteries to people in Indian villages where there is no electricity. This project was started in 2007 by The Energy Resources Institute (TERI) headed by Director-General Rajendra Kumar Pachauri, who was also a Nobel Peace Prize recipient and Chairman of the Intergovernmental Panel on Climate Change (IPCC). In Japan, the non-profit organization Gaia Initiative serves as the point of contact and undertakes activities as part of the Gaia Village Platform.

In fiscal 2008, as the first corporate entity to support Gaia Initiative, the Company contributed funds for setting up solar lantern facilities in five villages in northwestern Rajasthan State and Andhra Pradesh State where the Group company TPSC (India) Private Limited is located. The Company plans to continue to support the activities of this project in fiscal 2009.

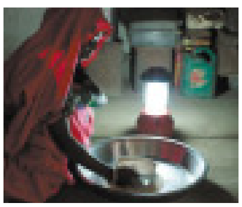
Charging Station

Electricity used to charge solar lanterns is generated by a solar panel attached on the roof of the charging station.

Solar Lantern Operation



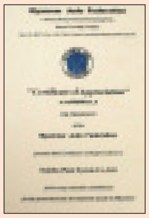
Lantern Usage



Lantern enables children to study at home in the evening or women to do housework or handiwork.

• Other Social Contribution Activities

August 2008
Volunteer activities including wheelchair assistance for the Hiroshima Peace Memorial Ceremony



September 2008
Donation of used judo uniforms to Myanmar

February 2009
Eco cap activity (collecting PET bottle caps)

Topic: Orders Simultaneously Received for Four Incidental Facilities of Gas Combined Cycle Power Plants in Egypt

Sidi Krir power plant

In July 2007, the Company simultaneously received orders to supply and install incidental facilities for the 750 MW gas combined cycle power plant at El Atf from Middle Delta Electricity Production Company as well as for incidental facilities intended for the 750 MW gas combined cycle power plant at Sidi Krir from West Delta Electricity Production Company in the Arab Republic of Egypt (total of four facilities including two mechanical and electrical facilities at each of these power plants). Respective power plants are scheduled to commence operations in August 2010.

This project is generally referred to as "Balance of Plant" (BOP) and is intended to supply and provide installation work for mechanical and electrical facilities incidental to relevant power plants. The Company handles the planning of incidental facilities (mechanical and electrical facilities), engineering, equipment procurement as well as oversees construction, testing and adjustments onsite.

Up until now, we have a proven track record in the supply and installation of turbine generators in thermal power plants, as well as BOP and EPC* projects; however, we will undertake greater efforts in the future to expand our businesses through participating in the bidding of power-related projects to address rising demand for power overseas.

* Project entailing a comprehensive order for managing processes from engineering and procurement through to construction.

Power Systems Division

This division mainly handles applications in field sectors in heavy electric machinery-related operations for the Toshiba Group. It comprises two operational divisions: the Power Systems Division, which operates in such business fields as thermal and hydroelectric power plants, substation facilities, electric power systems and energy supply systems, and the Thermal Power Systems and Service Division, which primarily engages in such non-Toshiba fields as industrial power plants. Engineering, construction, field services and such maintenance services as inspection and renovation are also provided for these facilities.

In the fiscal year under review, net orders of the Power Systems Division rose 15.7% to ¥54,571 million due to an increase in orders in overseas markets for industrial power plants. Conversely, despite an increase in domestic thermal power-related projects, divisional net sales dropped 14.2% to ¥52,536 million as the domestic market neared the end of the order cycle for industrial power plants.

Looking at market trends, capital investment centering on distribution facilities and renovation and maintenance by electric power companies was robust in Japan; however, business related to industrial power plant facilities, mainly among material manufacturers, is experiencing harsh circumstances due to various factors such as the curtailment of capital investments and postponement of plans on the back of rapid economic decline. Overseas, potential demand for electric power facilities exists especially in Asian regions; nevertheless, investment conditions appear to be stagnating due to the impact of the global financial crisis.

Amid this environment, based on the strengths of our comprehensive structure enabling us to cover processes from engineering to construction and maintenance, we will focus on expanding our industrial power plant business, which is a growth business under our medium-term management plan, including soliciting new business and renovation and maintenance business in Japan and overseas.

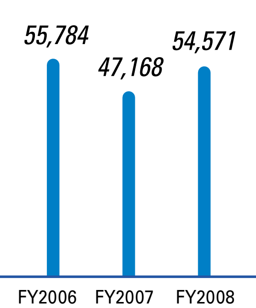
Senboku Natural Gas Power Plant,
Osaka Gas Co., Ltd.

Muara Karang switching station and
substation (Indonesia)

Mikawa Power Plant,
Sigma Power Ariake Co. Ltd.

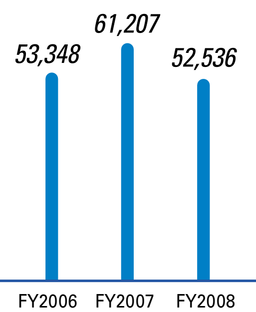
Net Orders (CONSOLIDATED)

Millions of yen



Net Sales (CONSOLIDATED)

Millions of yen



Nuclear Power Systems Division

The Nuclear Power Systems Division's operations are centered mainly on fields where we operate business for the Toshiba Group. The division undertakes engineering associated with construction, periodic inspection and renovation as well as construction, trial operations and adjustments, maintenance and service for nuclear power plants, used-fuel processing facilities and other fuel recycling facilities, and nuclear power R&D facilities.

Net orders and net sales of the Nuclear Power Systems Division increased during the fiscal year under review. Net orders rose 53.8% to ¥57,809 million and net sales were up 25.4% to ¥41,425 million. This was mainly due to a growth in periodic inspections and renovation and maintenance of existing nuclear power plants.

Among major market trends, demand is rising worldwide for nuclear power to enable stable supplies of electricity, offset the skyrocketing prices of energy resources and address environmental issues. Furthermore, construction of new nuclear power stations is getting under way in Japan and steady growth of renovation and maintenance of existing plants is anticipated to make them earthquake resistant and extend their useful lives.

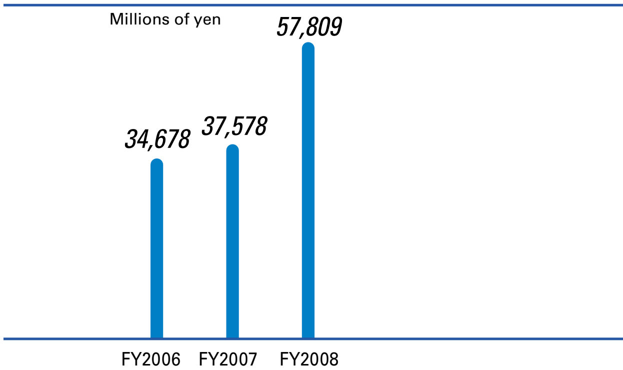
The nuclear power business is one of the designated growth businesses under the Group's medium-term management plan. In collaboration with Toshiba, we are proceeding with investigations and studies directed toward expanding the range of new orders in fields where the Group operates business for the Toshiba Group in preparation for future business opportunities.

Kashiwazaki-Kariwa Nuclear Power Station (courtesy of The Tokyo Electric Power Company, Inc.)

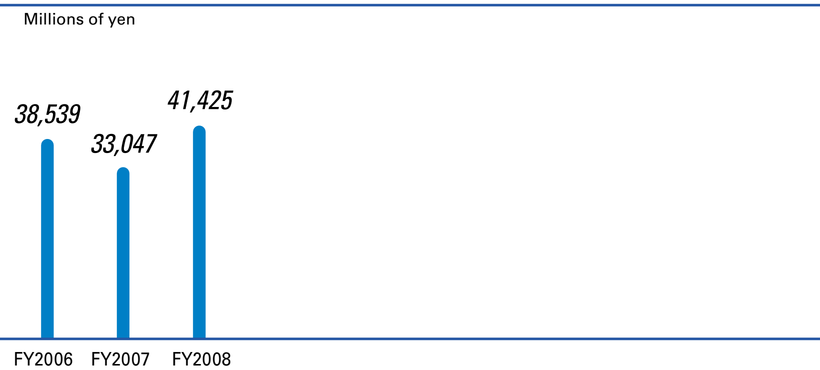
Fukushima No. 1 Nuclear Power Station (courtesy of The Tokyo Electric Power Company, Inc.)

Onagawa Nuclear Power Station (courtesy of The Tohoku Electric Power Co., Inc.)

Net Orders (CONSOLIDATED)



Net Sales (CONSOLIDATED)



Infrastructure and Industrial Systems Division

The Infrastructure and Industrial Systems Division operates mainly in the public works field of Toshiba Corporation. The division encompasses the two business areas of the Infrastructure System Division and the Industrial Systems Division. The Infrastructure System Division mainly handles the Toshiba Group's public works business, including water and sewage, transportation and construction of various facilities and systems for buildings. The Industrial Systems Division primarily is responsible for non-Toshiba Group business; plant and equipment for general industry; engineering, construction, testing and adjustments, and field services for plants and building installations; and information solutions services.

Net orders and net sales of the Infrastructure and Industrial Systems Division declined during the fiscal year under review. Net orders were down 18.0% to ¥71,055 million, while net sales dropped 15.2% to ¥71,458 million. This is primarily attributable to a decline in the general industry field, including manufacturing facilities.

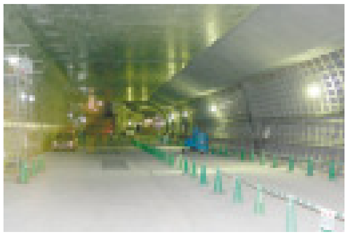
The business climate in the division's markets was harsh, with rising concerns over a decline in private-sector capital investment arising from the deterioration in the economic environment and a slackening in public works investment.

In businesses operated for the Toshiba Group, we continued efforts to increase business efficiency and reduce procurement costs and implement other cost restructuring measures. These actions were aimed at improving profitability and expanding orders in peripheral fields.

In non-Toshiba Group business, we will combine our leading technologies including engineering, construction, machine installation, testing and adjustments based on a wealth of experience to strengthen initiatives in the comprehensive plant and facilities business to provide total solutions for customers.

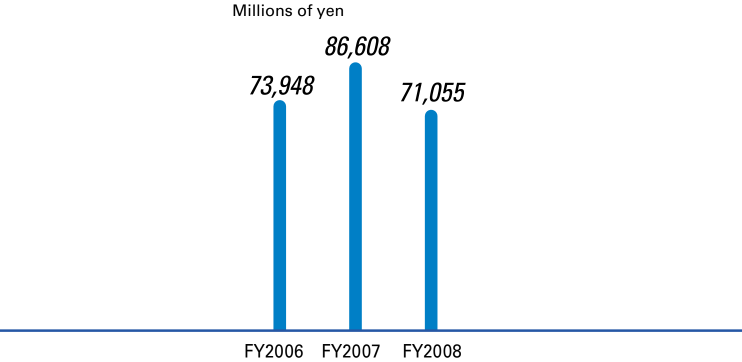
Samukawa No. 3 Purification Plant, Kanagawa Prefectural Public Enterprises Agency

Hiratsuka Plant, PILOT Corporation

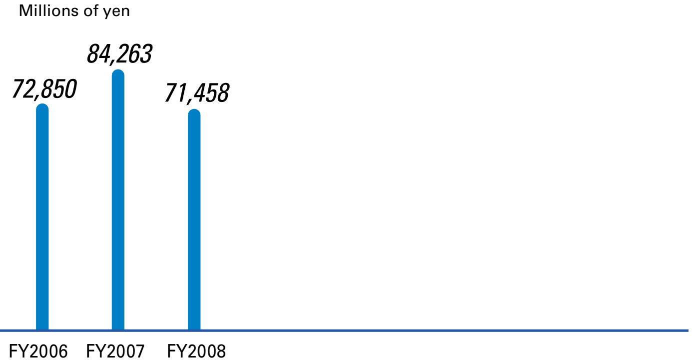


Central Circular Route Shinjuku Line, Metropolitan Expressway Co., Ltd.

Net Orders (CONSOLIDATED)



Net Sales (CONSOLIDATED)



Consolidated Six-Year Summary

Years ended March 31,	Millions of yen 2009	2008	2007	2006	2005	2004	Thousands of U.S. dollars (Note 2) 2009
Net Sales	**¥165,421**	¥178,519	¥164,737	¥144,261	¥138,047	¥105,633	**$1,684,015**
Cost of Sales	**142,317**	157,673	146,109	129,900	123,526	94,612	**1,448,811**
Operating Income	**12,696**	10,789	8,930	4,556	4,335	3,187	**129,246**
Interest and Dividend Income	**321**	349	169	100	96	113	**3,267**
Interest Expense	**—**	—	—	—	(1)	(7)	**—**
Income before Income Taxes	**12,898**	10,799	9,148	4,738	7,883	1,275	**131,303**
Net Income	**7,304**	6,285	5,024	2,587	4,277	512	**74,352**
Per Share of Common Stock							
(in yen and dollars) (Note 12):							
Net Income	**¥ 74.92**	¥ 64.47	¥ 51.52	¥ 26.53	¥ 43.83	¥ 6.80	**$ 0.76**
Cash Dividends	**15.00**	15.00	12.00	12.00	4.00	8.00	**0.15**
Total Assets	**¥151,090**	¥156,194	¥159,023	¥136,207	¥130,585	¥128,874	**$1,538,122**
Net Assets	**74,381**	68,866	65,561	61,029	59,430	55,444	**757,217**
Number of Employees	**3,970**	3,967	3,951	4,015	4,018	4,135	

See the accompanying Notes to Consolidated Financial Statements.

Financial Review

Operating Income

Operating income for the fiscal year ended March 31, 2009 climbed 17.7% to ¥12,696 million (US$129,246 thousand). As a result, the ratio of operating income to net sales rose 1.7 percentage points to 7.7%. The increase in operating income was due to the rise in net sales in addition to ongoing efforts to revamp our business structure and transform to a highly efficient corporate structure able to secure stable earnings, even amid low growth, as well as measures to cut procurement costs and reduce fixed costs by achieving an appropriate number of personnel.

Net Income

Net income for the fiscal year ended March 31, 2009 climbed 16.2% to ¥7,304 million (US$74,352 thousand).

Selling, General and Administrative (SG&A) Expenses

During the fiscal year under review, SG&A expenses increased ¥352 million to ¥10,408 million (US$105,958 thousand). This was mainly due to an increase in personal expenses. The ratio of SG&A expenses to net sales was 6.3%, a deterioration of 0.6 percentage point.

Total Assets and Net Assets

Total consolidated assets at the end of the fiscal year ended March 31, 2009 declined ¥5,104 million from the previous fiscal year-end to ¥151,090 million (US$1,538,122 thousand). Among total assets, cash and cash equivalents decreased ¥6,392 million to ¥22,740 million (US$231,497 thousand). Trade notes and accounts receivable decreased ¥1,221 million to ¥80,301 million (US$817,476 thousand), while net assets rose ¥5,515 million to ¥74,381 million (US$757,217 thousand) due to an increase of ¥5,832 million in retained earnings. The equity ratio was 49.2%.

March 31, 2009 and 2008	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars (Note 2) 2009
ASSETS			
Current assets:			
Cash and cash equivalents	¥ 22,740	¥ 29,132	$ 231,497
Time deposits	596	529	6,066
Trade notes and accounts receivable	80,301	81,521	817,476
Less: allowance for doubtful accounts	(120)	(109)	(1,219)
Inventories (Note 3)	20,891	19,452	212,671
Deferred tax assets (Note 5)	4,862	4,375	49,494
Other current assets	1,602	1,559	16,317
Total current assets	130,872	136,459	1,332,302
Property, plant and equipment, at cost: (Note 10)			
Land	3,446	3,471	35,078
Buildings and structures	8,584	8,568	87,387
Machinery and equipment	2,539	2,518	25,850
Tools, furniture and fixtures	4,452	4,186	45,325
Leased assets	43	—	436
	19,064	18,743	194,076
Less: accumulated depreciation	(12,115)	(11,697)	(123,331)
Property, plant and equipment, net	6,949	7,046	70,745
Intangible assets	91	99	925
Investments and other assets:			
Investment securities (Note 6)	2,565	2,790	26,114
Investments in affiliates (Note 4)	134	113	1,360
Deferred tax assets (Note 5)	9,516	8,689	96,879
Other	963	998	9,797
Total investments and other assets	13,178	12,590	134,150
Total assets	¥151,090	¥156,194	$1,538,122

See the accompanying Notes to Consolidated Financial Statements.

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
LIABILITIES AND NET ASSETS			
Current liabilities:			
Trade notes and accounts payable	¥ 31,515	¥ 45,317	$ 320,833
Advances received on uncompleted contracts	5,454	6,630	55,522
Allowance for bonuses to directors and statutory auditors	68	63	695
Accrued expenses	7,482	6,721	76,163
Allowance for warranty work on construction projects	1,303	725	13,261
Allowance for expected losses on construction contracts	496	468	5,048
Accrued income taxes (Note 5)	5,038	3,359	51,292
Other current liabilities	1,891	1,865	19,248
Total current liabilities	53,247	65,148	542,062
Long-term liabilities:			
Severance indemnities (Note 7)	23,311	22,180	237,307
Directors' retirement benefits	120	—	1,225
Other long-term liabilities	31	—	311
Total long-term liabilities	23,462	22,180	238,843
Total liabilities	76,709	87,328	780,905
Contingent liabilities: (Note 11)			
Net assets: (Note 12)			
Shareholder's equity			
Common stock			
Authorized — 265,000,000 shares			
Issued 2009 — 97,656,888 shares	11,876	—	120,900
2008 — 97,656,888 shares	—	11,876	—
Capital surplus	20,911	20,911	212,874
Retained earnings	41,792	35,960	425,447
Treasury stock, at cost	(105)	(84)	(1,063)
Total shareholder's equity	74,474	68,663	758,158
Valuation and translation adjustments:			
Unrealized gains on securities	9	152	100
Currency translation adjustments	(148)	(32)	(1,506)
Total valuation and translation adjustments	(139)	120	(1,406)
Minority interests in consolidated subsidiaries	46	83	465
Total net assets	74,381	68,866	757,217
Total liabilities and net assets	¥151,090	¥156,194	$1,538,122

Consolidated Statements of Income

Years ended March 31, 2009 and 2008	Millions of yen 2009	2008	Thousands of U.S. dollars (Note 2) 2009
Net sales	**¥165,421**	¥178,519	**$1,684,015**
Cost of sales	**142,317**	157,673	**1,448,811**
Gross profit	**23,104**	20,846	**235,204**
Selling, general and administrative expenses (Note 8)	**10,408**	10,057	**105,958**
Operating income	**12,696**	10,789	**129,246**
Other income:			
Interest income	**236**	264	**2,406**
Dividends income	**85**	85	**861**
Equity in income of affiliates	**46**	39	**470**
Other	**278**	300	**2,831**
	645	688	**6,568**
Other expenses:			
Foreign exchange losses	**506**	330	**5,149**
Other	**67**	108	**682**
	573	438	**5,831**
Income before extraordinary items	**12,768**	11,039	**129,983**
Extraordinary items:			
Other income (gain on sale of land)	**176**	—	**1,790**
Provision for severance indemnities	**—**	190	**—**
Loss on impairment on investments	**—**	11	**—**
Income before income taxes	**12,944**	10,838	**131,773**
Income taxes: (Note 5)			
Current	**6,870**	4,705	**69,946**
Deferred	**(1,228)**	(153)	**(12,504)**
Income before minority interests	**7,302**	6,286	**74,331**
Minority interests in income of consolidated subsidiaries	**(2)**	(1)	**(21)**
Net income (Note 12)	**7,304**	6,285	**74,352**

See the accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Change in Net Assets

	Number of shares in issue	Millions of yen: Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Unrealized gains on securities	Currency translation adjustments	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2007	97,656,888	¥11,876	¥20,911	¥31,868	¥(60)	¥976	¥(88)	¥78	¥65,561
Net income				6,285					6,285
Cash dividends				(2,193)					(2,193)
Purchase of treasury stock					(24)				(24)
Other changes						(824)	56	5	(763)
Balance at March 31, 2008	97,656,888	¥11,876	¥20,911	¥35,960	¥(84)	¥152	¥(32)	¥83	¥68,866
Effect of changes in accounting policies applied to foreign subsidiaries				(10)				(10)	(20)
Net income				7,304					7,304
Cash dividends				(1,462)					(1,462)
Purchase of treasury stock					(21)				(21)
Other changes						(143)	(116)	(27)	(286)
Balance at March 31, 2009	**97,656,888**	**¥11,876**	**¥20,911**	**¥41,792**	**¥(105)**	**¥9**	**¥(148)**	**¥46**	**¥74,381**

	Thousands of U.S. dollars (Note 2): Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Unrealized gains on securities	Currency translation adjustments	Minority interests in consolidated subsidiaries	Total net assets
Balance at March 31, 2008	$120,900	$212,874	$366,077	$(853)	$1,551	$(323)	$843	$701,069
Effect of changes in accounting policies applied to foreign subsidiaries			(96)				(97)	(193)
Net income			74,352					74,352
Cash dividends			(14,886)					(14,886)
Purchase of treasury stock				(210)				(210)
Other changes					(1,451)	(1,183)	(281)	(2,915)
Balance at March 31, 2009	**$120,900**	**$212,874**	**$425,447**	**$(1,063)**	**$100**	**$(1,506)**	**$465**	**$757,217**

See the accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows

Years ended March 31, 2009 and 2008	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars (Note 2) 2009
Cash flows from operating activities:			
Income before income taxes	¥12,944	¥10,838	$131,773
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	775	763	7,890
Increase in severance indemnities	1,238	524	12,599
Decrease in allowance for doubtful accounts	69	(70)	698
Equity in income of affiliates	(46)	(39)	(470)
Gain on sales of property, plant and equipment	(179)	(1)	(1,823)
Loss on disposal of property, plant and equipment	19	25	189
Increase in notes and accounts receivable	877	(2,682)	8,924
Decrease in inventories	(1,464)	377	(14,902)
Decrease in other current assets	80	566	815
Increase (Decrease) in notes and accounts payable	(13,617)	(244)	(138,630)
Increase (Decrease) in advance received uncompleted contracts	(1,006)	(4,581)	(10,244)
Increase in accrued expenses	1,343	907	13,679
Increase (Decrease) in allowance for losses on construction orders	28	(131)	288
Increase (Decrease) in other current liabilities	(111)	(2,221)	(1,134)
Other	(243)	(253)	(2,456)
	707	3,778	7,196
Interest and dividends received	345	393	3,516
Income taxes paid	(5,266)	(5,159)	(53,607)
Net cash used in operating activities	(4,214)	(988)	(42,895)
Cash flows from investing activities:			
Decrease in time deposits	(90)	12	(920)
Proceeds from sales of property and securities	208	16	2,121
Payment for acquisition of property and equipment	(647)	(686)	(6,589)
Payments for purchase of investment securities	(6)	0	(58)
Acquisition of shares of consolidated subsidiaries	(11)	—	(117)
Other	58	272	593
Net cash used in investing activities	(488)	(386)	(4,970)
Cash flows from financing activities:			
Proceed from short-term debt	1,200	—	12,216
Repayment of short-term debt	(1,200)	—	(12,216)
Repayment of lease liabilities	(12)	—	(125)
Dividends paid	(1,462)	(2,194)	(14,886)
Other	(22)	(25)	(216)
Net cash used in financing activities	(1,496)	(2,219)	(15,227)
Effect of exchange rate changes on cash and cash equivalents	(194)	45	(1,978)
Net decrease in cash and cash equivalents	(6,392)	(3,548)	(65,070)
Cash and cash equivalents at beginning of year	29,132	32,680	296,567
Cash and cash equivalents at end of year	¥22,740	¥29,132	$231,497

See the accompanying Notes to Consolidated Financial Statements.

1. Summary of Significant Accounting Policies

(a) Basis of presenting financial statements

The accompanying consolidated financial statements of Toshiba Plant Systems & Services Corporation (the "Company") and consolidated subsidiaries (collectively, the "Companies") are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial instruments and Exchange law of Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside of Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan, but is presented herein as additional information.

Certain amounts in prior year's financial statements have been reclassified to conform with the current year's presentation.

Change in accounting method

Effective from the current fiscal year, the Company has adopted "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ, PITF No. 18, May 17, 2006) and has made the necessary adjustments to the consolidated financial statements. The impact of this change in accounting method on profits and losses for the fiscal year ended March 31, 2009 was minimal.

(b) Basis of consolidation and accounting for investments in affiliates

The accompanying consolidated financial statements include the accounts of the Company and all of its subsidiaries. The consolidated subsidiaries are determined based on effective control. All intercompany accounts and transactions are eliminated in consolidation.

Investments in affiliates are accounted for by the equity method. The Company adopted the influence-based definition to determine the affiliated companies to be accounted for by the equity method.

Matter concerning the accounting periods of consolidated subsidiaries

Among consolidated subsidiaries, the settlement date for PT. TOSPLANT ENGINEERING INDONESIA, TOSPLANT ENGINEERING (THAILAND) CO., LTD. and TPSC ENGINEERING (MALAYSIA) SDN. BHD. is on December 31. The financial statements of these subsidiaries as of this settlement date are used in preparing the consolidated financial statements. Necessary adjustments for consolidation are made for any significant transactions occurring between this date and the consolidated settlement date.

(c) Foreign currency translations

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate prevailing at the balance sheet dates.

The foreign exchange gains and losses from translation are recognized in the consolidated statements of income and retained earnings.

All assets, liabilities, income and expense accounts of foreign subsidiaries are translated at current rates at the respective balance sheet dates. The components of net assets are translated at their historical exchange rates. The effects of these translations are shown as "Currency translation adjustments" and "Minority interests in consolidated subsidiaries" in the accompanying consolidated balance sheets.

(d) Accounting for net sales and related costs

The Company's net sales and the related costs of contracts are recognized based on either the completion method or the percentage-of-completion method. The percentage-of-completion method is used for recognizing net sales and related costs on contracts where:

(i) the contract value is ¥1,000 million (U.S.$10,180 thousand) or more, and

(ii) the duration of the contracts is expected to be 12 months or more.

The Company's foreign subsidiaries use the percentage-of-completion method for recognizing net sales and related costs on contracts.

The Company's domestic subsidiaries use the completion method for recognizing net sales and related costs on contracts.

(e) Investment securities

All the debt or equity securities are classified as available-for-sale securities.

Debt securities and equity securities, whose fair value is determinable, are stated at fair value with unrealized gains or losses recorded as a component of net assets, net of applicable taxes.

Debt securities and equity securities, whose fair value is not determinable, are stated at cost, determined by the moving average method.

Debt securities, whose difference between cost and fair value is realized with accrued interest, are stated at amortized cost.

(f) Inventories

Until the fiscal year ended March 31, 2008, work in progress is stated at accumulated cost determined on a specific project basis, which includes accumulated cost in excess of billing for contracts accounted for on a percentage-of-completion basis; materials and supplies are stated at cost determined either by the first-in, first-out method or the specific identification method; and finished products are stated at cost determined by the first-in, first-out method.

Change in accounting method

The Companies in Japan adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006) effective from the fiscal year ended March 31, 2009, under which work in progress is stated at the lower of accumulated lost, determined on a specific project bases, or net realizable value; materials and supplies are stated at the lower of lost, determined either by the first-in, first-out method or the specific identification method, or net realizable value; and finished products are stated at cost, determined by the first-in, first-out method, or net realizable value. The impact of this change in accounting method on profits and losses for the fiscal year ended March 31, 2009 was minimal.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost.

Depreciation of property, plant and equipment of the Company, its domestic subsidiaries and TPSC (India) Private Limited is principally computed by the declining-balance method and depreciation of property, plant and equipment of foreign subsidiaries, except for TPSC (India) Private Limited, is computed by the straight-line method based on the following useful lives:

Building and structures........................3-60 years
Machinery and equipment................3-17 years
Tools, furnitures and fixtures..........2-20 years

Change in accounting method

Along with a revision to the Japanese Corporation Tax Law, effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries have changed to a depreciation method based on the revised law for all property, plant and equipment acquired on or after April 1, 2007. The impact of this change in accounting method on profits and losses for the fiscal year ended March 31, 2009 was minimal.

(h) Leased assets

For finance lease transactions that do not transfer ownership to the lessee, until the closing of the fiscal year ended March 31, 2008, the Company used accounting procedures based on methods for normal lease transactions.

Change in accounting method

For finance lease transactions that do not transfer ownership, the Company previously used the accounting standard in accordance with methods for operating lease transactions. As of the fiscal year beginning April 1, 2008, the Company and its domestic subsidiaries adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, June 17, 1993, First Committee of the Business Accounting Council; revised on March 30, 2007) and "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, January 18, 1994, Japanese Institute of Certified Public Accountants, Accounting System Committee; revised on March 30, 2007). Accordingly, financial lease transactions are now accounted for as normal finance or sales transactions. Regarding finance lease transactions that do not transfer ownership rights commenced on a date prior to the beginning of the fiscal year in which the new standard is applied to future minimum lease payments at the end of the previous fiscal period is considered acquisition costs and recorded as leased on April 1, 2008. The impact of this change in accounting method on profits and losses for the fiscal year ended March 31, 2009 was minimal.

Effective for the fiscal year beginning April 1, 2008, depreciation of leased assets is computed by the straight-line method with no residual value.

(i) Allowance for doubtful accounts

To provide for losses on doubtful accounts, an allowance for doubtful accounts is provided in an amount sufficient to cover possible losses on collection. The amount is computed by applying the rate of actual losses on collection experienced in the past with respect to general trade receivables and by individually reviewing their collectibility with respect to certain doubtful receivables.

(j) Compensation reserve for completed work

To ensure payment of expenses for completed work, the Company books an amount equivalent to projected compensation based on the prior history of completed work to a compensation reserve for completed work.

(k) Severance indemnities

The Company's and its domestic subsidiaries' employees are covered by an employee defined retirement benefit plan and an employee defined pension plan.

The Company's and its domestic subsidiaries' employees with more than one year of service are entitled to a lump-sum severance payment determined by reference to current rate of pay, length of service and the conditions under which the termination occurs.

Prior service costs are amortized, on a straight-line basis, over the set period (currenty 10 years) within the average remaining service period of the employees at the time of occurrence.

Actuarial gain or loss is amortized, on a straight-line basis, over the set period (currently 10 years) within the average remaining service period of the employees from the fiscal year following the year in which such gains or losses incur.

Allowance for the Company's and its domestic subsidiaries' directors and corporate auditors retirement benefits is also provided at the estimated amounts payable to them at the balance sheets dates, determined based on their internal corporate policy, as if they retired at those dates.

Change in accounting method

Effective in the fiscal year ended March 31, 2008, one of the consolidated subsidiaries has changed its method to calculate severance indemnities obligations from the simplified method to the principle method. The change in accounting method was made because the consolidated subsidiary established a system enabling the proper calculation of severance indemnities during the year ended March 31, 2008, and therefore is charging them accurately against income for the respective fiscal period. As a result of the change in accounting method, an extraordinary loss of ¥190 million was recorded for the year ended March 31, 2008.

(l) Allowance for expected losses on construction contracts

The Companies make provisions for expected losses on construction contracts at the end of the fiscal year. After the commencement of construction, when substantial losses are expected and reasonably estimated by comparing estimated completion costs with the contract value for the following year or later, the Companies reserve for losses on construction contracts.

(m) Income taxes

The provision for income taxes is computed based on income before income taxes in the consolidated statements of income. The assets and liabilities approach is adopted to recognize the deferred tax assets and liabilities related to temporary differences between the carrying amounts, in financial reporting, and tax bases of assets and liabilities.

Valuation allowances are established to reduce deferred tax assets to their net realizable value if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

(n) Valuation of assets and liabilities of consolidated subsidiaries

In applying the purchase method to business combination or business acquisition, the Company evaluates the total assets acquired and liabilities assumed at their fair value, net of the fair value of minority interests.

(o) Matter concerning amortization of goodwill and negative goodwill

Goodwill is amortized on a lump-sum basis.

(p) Cash and cash equivalents

In preparing the consolidated statements of cash flows, cash on hand, readily-available deposits and short-term highly liquid investments with maturities not exceeding three months at the time of purchase are considered to be cash and cash equivalents.

(q) Derivatives

All derivatives are carried at fair value.

2. U.S. Dollar Amounts

The translation of yen amounts into U.S. dollar amounts is included solely for convenience, as a matter of arithmetical computation only, at the rate ¥98.23 = U.S.$1.00, the rate prevailing on March 31, 2009. The translations should not be construed as representations that yen have been, could have been or could in the future be converted into U.S. dollars at the above or any other rate.

3. Inventories

Inventories at March 31, 2009 and 2008 consisted of the following:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Work in progress	¥20,823	¥19,412	$211,977
Materials and supplies	68	40	694
	¥20,891	¥19,452	$212,671

4. Investments in Affiliates

Investments in affiliated companies at March 31, 2009 and 2008 consisted of the following:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Investments in capital stock, at cost	¥ 5	¥ 5	$ 46
Equity in accumulated earnings and losses since acquisition, net	129	108	1,314
	¥134	¥113	$1,360

Transactions and balances with affiliated companies for the years ended and March 31, 2009 and 2008 consisted of the following:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Sales	¥149	¥80	$1,514
Trade accounts receivable	58	42	586

5. Income Taxes

The Companies are subject to a number of different taxes based on income which, in the aggregate, indicate a normal statutory tax rate in Japan of approximately 40.6% and 40.6% for the years ended March 31, 2009 and 2008, respectively.

Reconciliation between the statutory tax rate and the effective income tax rate for the year ended March 31, 2009 is as follows:

	2009
Statutory tax rate	40.6%
Non deductible expenses for tax	2.6
Prefectural and municipal inhabitant per capital tax	0.6
Other	(0.2)
Effective income tax rate	43.6%

Due to the difference between the statutory tax rate and the effective tax rate of less than 5%, the reconciliation between the two tax rates has been omitted for the year ended March 31, 2008.

The significant components of deferred tax assets and liabilities are as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Deferred tax assets:			
Severance indemnities	¥ 9,462	¥ 8,947	$ 96,328
Accrued bonuses	2,543	2,247	25,893
Accounts payable	467	781	4,755
Allowance for doubtful accounts	367	350	3,736
Depreciation	648	401	6,599
Completed work compensation reserve	530	295	5,391
Accrued enterprise tax	400	285	4,076
Allowance for expected losses on construction contracts	202	190	2,052
Other	1,322	1,213	13,458
	15,941	14,709	16,288
Valuation allowance for deferred tax assets	(901)	(896)	(9,173)
Deferred tax assets	15,040	13,813	153,115
Deferred tax liabilities:			
Retained earnings appropriated for tax allowable reserves	(654)	(654)	(6,661)
Unrealized gains on securities	(8)	(96)	(81)
Deferred tax liabilities	(662)	(750)	(6,742)
Net deferred tax assets	¥14,378	¥13,063	$146,373

6. Marketable Securities and Investment Securities

The aggregate cost, gross unrealized gains and losses, and fair value pertaining to available-for-sale securities are as follows:

	Millions of yen							
	2009				2008			
	Cost	Gross unrealized gains	Gross unrealized losses	Fair value	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
Equity securities	¥2,482	¥20	¥2	¥2,500	¥2,484	¥248	¥1	¥2,731
Debt securities	—	—	—	—	—	—	—	—
	¥2,482	¥20	¥2	¥2,500	¥2,484	¥248	¥1	¥2,731

	Thousands of U.S. dollars (Note 2)			
	2009			
	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
Equity securities	$25,269	$203	$22	$25,450
Debt securities	—	—	—	—
	$25,269	$203	$22	$25,450

7. Severance Indemnities

The components of net pension and severance costs of employees' severance benefit plans for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Service cost	¥1,868	¥1,894	$19,018
Interest cost	1,469	1,414	14,958
Expected return on plan assets	(810)	(1,269)	(8,249)
Amortization of prior service cost	(529)	(529)	(5,386)
Amortization of unrecognized actual loss	1,499	915	15,257
Effect of change in accounting method	—	190	—
Net periodic benefit cost	¥3,497	¥2,615	$35,598

The following table sets forth funded and actual status of the employees' defined benefit plans, and the amounts recognized in the consolidated balance sheets as of March 31, 2009 and 2008.

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Projected benefit obligation	¥(60,552)	¥(59,754)	$(616,420)
Fair value of plan assets	26,027	32,251	264,959
Funded status	(34,525)	(27,503)	(351,461)
Unrecognized prior service cost	(739)	(1,269)	(7,527)
Unrecognized actual loss	11,953	6,727	121,681
Severance indemnities	(23,311)	(22,045)	(237,307)
Allowance for employee retirement benefits	¥(23,311)	¥(22,045)	$(237,307)

Assumptions used as of March 31, 2009 and 2008 were as follows:

	2009	2008
Discount rate	2.5%	2.5%
Expected return on plan assets	2.5%	3.5%

Among domestic consolidated subsidiaries, one company participates in a group employees pension fund, however, because of the impracticality of calculating the amount of pension assets contributed to the fund by the consolidated company, this amount is not included in the calculation of pension and severance payments obligations.

Funded status of regarding the multi-employer plan under which the required contributory amounts are being processed as pension and severance expenses are as follows.

1) Status of overall reserves under the system (as of March 31, 2008 and 2007)

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2008	2007	2008
(1) Total pension assets	¥299,283	¥343,789	$3,046,765
(2) Total obligations at fiscal year end	327,524	315,981	3,334,266
(3) Difference ((1)-(2))	¥ (28,241)	¥27,808	$ (287,501)

2) Total contributions of the Companies as a proportion of the total fund in the multi-employer plan (as of March 31, 2008 and 2007)

	2008	2007
	0.54%	0.53%

3) Supplemental information (as of March 31, 2008 and 2007)

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2008	2007	2008
Difference ((3)) = (a + b - c - d)			
a. Surplus	¥ 25,038	¥10,378	$254,900
b. Deductions for asset revaluation	—	42,060	—
c. Adjustment for increase in asset valuation	31,351	—	319,166
d. Balance of unamortized prior year obligations	21,928	24,630	223,235

	2008	2007
Amortization method for prior year obligations	Straight-line over 20 years	
Remaining amortization years for prior year obligations	11 years	12 years

8. Research and Development Costs

Research and development costs were ¥578 million (U.S.$5,883 thousand) and ¥685 million for the years ended March 31, 2009 and 2008, respectively.

9. Commitment Line Contracts

For short-term funding purposes, commitment line contracts have been entered into with five and seven financial institutions in the total amount of ¥4,000 million (U.S.$40,721 thousand) and ¥4,000 million as of March 31, 2009 and 2008, respectively.

No commitment lines were utilized as of March 31, 2009 and 2008.

10. Leases

As Lessee:

(a) Finance leases:

The Companies lease certain machinery, equipment and other assets.

The pro forma information of leased property under finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2009 and 2008 was as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	**2009**
Machinery, equipment and other assets			
Acquisition cost equivalent value	—	¥91	—
Accumulated depreciation equivalent value	—	48	—
Net leased property equivalent value	—	¥43	—

Obligations under finance leases as of March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	**2009**
Due within one year	—	¥12	—
Due after one year	—	31	—
	—	¥43	—

The pro forma information above does not exclude the imputed interest portion because the remaining financial lease obligations are not material compared with the book values of property, plant and equipment.

(b) Operating leases:

The minimum rental commitments under non-cancelable operating leases as of March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	**2009**
Due within one year	**¥ 37**	¥12	**$ 383**
Due after one year	**189**	58	**1,924**
	¥226	¥70	**$2,307**

As Lessor:

(a) Finance leases:

The Companies lease certain machinery, equipment and other assets.

The pro forma information of leased property under finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2009 and 2008 was as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	**2009**
Building and structures			
Acquisition cost	—	¥718	—
Accumulated depreciation	—	227	—
Net leased property	—	¥491	—

Rights to receive rental income, obligations under finance leases as of March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	**2009**
Due within one year	—	¥64	—
Due after one year	—	—	—
	—	¥64	—

The pro forma information above does not exclude the imputed interest portion because the remaining financial lease obligations are not material compared with the book values of property, plant and equipment.

(b) Operating leases:

The minimum rental commitments under non-cancelable operating leases as of March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
Due within one year	—	¥3	—
Due after one year	—	—	—
	—	¥3	—

11. Contingent Liabilities

The Companies had the following contingent liabilities at March 31, 2009 and 2008.

	Millions of yen		Thousands of U.S. dollars (Note 2)
	2009	2008	2009
As guarantor of employees' housing loans from banks	¥1,261	¥1,407	$12,834
Total of contingent liabilities	¥1,261	¥1,407	$12,834

12. Per Share Information

Net income and net assets per share for the years ended March 31, 2009 and 2008 were as follows:

	Yen		U.S. dollars (Note 2)
	2009	2008	2009
Net income (Basic)	¥ 74.92	¥ 64.47	$0.76
Net assets	762.69	705.56	7.76

The computations of net income per share are based on the weighted average number of shares outstanding during each year after giving retroactive effect to any free distributions of shares.

13. Segment Information

Business Segment Information

As sales, operating profit and assets of the construction business exceeded 90% of total segment sales, operating profit and assets, respectively, the disclosure of business segment information has been omitted.

Geographic Segment Information

As sales and assets of the domestic companies exceeded 90% of total segment sales and assets, respectively, the disclosure of geographic segment information has been omitted.

Overseas Sales

Export sales of the domestic companies and foreign subsidiaries' sales other than sales to Japan are summarized as follows.

	2009		2008		2009
	Millions of yen	Percentage of net sales	Millions of yen	Percentage of net sales	Thousands of U.S. dollars (Note 2)
Overseas sales:					
Southeastern Asia	¥10,904	6.6%	¥ 14,795	8.3%	$110,995
Other Asia	4,306	2.6	7,950	4.4	43,848
Other areas	9,897	6.0	3,759	2.1	100,753
Total	¥25,107	15.2%	¥ 26,504	14.8%	$255,596

14. Derivative Transactions

(a) Items related to transaction conditions

1) Description of transactions, purpose of usage and policy for entering into such transactions

The Company conducts derivative transactions as a way to mitigate risk due to fluctuations in foreign exchange rates or fluctuations in interest rates arising from normal business operations. Currency-related derivative transactions primarily consist of forward foreign exchange contracts, and interest-related derivative transactions primarily consist of interest rate swaps. Forward foreign exchange contracts are used to hedge against foreign exchange fluctuation risk of foreign currency-denominated assets and liabilities and future payables and receivables denominated in foreign currencies. Interest rate swaps are used to reduce risk due to fluctuations in interest rates applicable to financial assets and liabilities for the purpose of stabilizing revenues and costs. The Company limits its use of such transactions to the scope of actual requirements, and does not use them for speculation purposes. In addition, consolidated subsidiaries do not engage in derivative transactions.

2) Description of transactions risks

Forward foreign exchange contracts carry the risk of exchange rate fluctuations, and interest rate swaps carry the risk of market interest rate fluctuations. Due to the fact that derivative transactions for foreign exchange as well as for interest rates are conducted only with financial institutions having high creditworthiness as the counterparties, the Company's judges credit risk to be immaterial.

3) Management of transaction risks

The Company's foreign currency and interest rate derivative transactions are executed and managed by the Finance Department of the Accounting Division under internal control procedures. Daily activities concerning derivative transactions are checked mutually within the Finance Department, and the general manager of the Finance Department is required to make semiannual reports on the contract status of derivative transactions to the Board of Directors.

(b) Items related to market value of transactions, etc., for currency-related transactions

Category & Type

	Millions of yen							
	2009				2008			
	Contract Amounts	Over one year	Market Value	Unrealized Gain (Loss)	Contract Amounts	Over one year	Market Value	Unrealized Gain (Loss)
Off-market Transactions								
Forward foreign exchange contract								
Selling position								
U.S. dollars	4,163	—	4,335	(171)	511	—	500	11
Euro	77	—	81	(4)	—	—	—	—
Buyng position								
U.S. dollars	2,185	—	2,147	(38)	775	—	766	(9)
Euro	624	—	624	0	204	—	205	1
Singapore dollars	56	—	57	1	26	—	25	(2)
Thai baht	37	—	36	(1)	—	—	—	—
A.U. dollars	—	—	—	—	2	—	2	0
Total	7,142	—	7,280	(213)	1,518	—	1,498	1

Note: Market value is calculated using the forward exchange rate.

15. Transactions with Related Parties

2009:

Supplemental information

From the fiscal year under review, the Company has adopted the "Accounting Standard for Related Party Disclosures" (ASBJ Statement No. 11, October 17, 2006) and "Guidance on Accounting Standard for Related Party Disclosures" (ASBJ Implementation Guidance No. 13, October 17, 2006). As a result, two consolidated subsidiaries of the company preparing the consolidated financial statements have been added to the scope of disclosure in addition to the previous scope of disclosure.

(a) Transactions with related parties

1) Transactions between related parties and the company preparing the consolidated financial statements

(1) The parent company of the company preparing the consolidated financial statements and principal shareholders (limited to companies)

Status	Name	Address	Capital (Millions of yen)	Business	Percentage of voting rights held by the parent company, etc. (%)
Parent company	Toshiba Corporation	Minato-ku, Tokyo	280,281	1. Manufacture of electric machines and equipment 2. Manufacture of measuring instruments, medical equipment and apparatus, and other machines and equipment 3. Software development and supply, electronic communication, broadcasting, information processing, information service 4. Chemical industry, metal industry, construction, ceramic industry, mining, soil and gravel mining 5. Business incidental to each of the above-mentioned businesses or industries 6. Investment in the company engaged in any of the above-mentioned businesses	Direct 59.97 Indirect 1.65

Notes:
1. The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
2. Toshiba Insurance Service Corporation, Shibaura Mechatronics Corporation and Toshiba Finance Corporation own 1.65%, 0% and 0%, respectively, of the Company's voting shares.

(2) Companies with the same parent company as the company preparing the consolidated financial statements and subsidiaries of other affiliates of the company preparing the consolidated financial statements

Status	Name	Address	Capital (Millions of yen)	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Capital Corporation	Minato-ku, Tokyo	100	1. Loans 2. Purchase of monetary credits and notes 3. Trade of marketable securities 4. Business incidental to any of the above-mentioned business	None

Note: Consumption tax is not included in above-mentioned amounts pertaining to either transaction amounts or the balance at fiscal year end.

Relationship		Transactions		Transaction amounts (Millions of yen) (Thousands of U.S. dollars (Note 2))	Account item	Balance at fiscal year end (Millions of yen) (Thousands of U.S. dollars (Note 2))
Dispatch of executive officers, etc.	Business relationship					
None	Accepting orders from the parent, this company performs electric works, pipe works, machinery installation contracts, electric communication works, building construction, firefighting facility construction and steel structure building works. The company also purchases part of the materials necessary for these building or other works listed above.	Business transactions	Construction contracting	¥103,991 $1,058,655	Accounts receivable –completed work	¥54,318 $552,968
					Other current assets	¥126 $1,287
			Purchasing of materials	¥6,507 $66,242	Advances received – unfinished work	¥1,175 $11,966
					Accounts payable – construction work	¥3,030 $30,852
					Other current liabilities	¥39 $397

Policy for determining trade terms and other related matters
The general terms and conditions are applied to the contract for construction and purchasing of materials.

Relationship		Transactions		Transaction amounts (Millions of yen) (Thousands of U.S. dollars (Note 2))	Account item	Balance at fiscal year end (Millions of yen) (Thousands of U.S. dollars (Note 2))
Dispatch of executive officers, etc.	Business relationship					
None	Deposit of funds	Non-operating transaction	Deposit of funds	¥178,300 $1,815,128	Group deposits	¥18,500 $188,334

Policy for determining trade terms and other related matters
The Company is depositing funds with Toshiba Capital Corporation under a basic agreement entered into between the Company and Toshiba Capital concerning fund transactions.

2) Transactions between related parties and consolidated subsidiaries of the company preparing the consolidated financial statements

Status	Name	Address	Capital (Millions of yen)	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Capital Corporation	Minato-ku, Tokyo	100	1. Loans 2. Purchase of monetary credits and notes 3. Trade of marketable securities 4. Business incidental to any of the above-mentioned business	None

Note: Consumption tax is not included in above-mentioned amounts pertaining to either transaction amounts or the balance at fiscal year end.

(b) Note concerning the parent company and important affiliates

1) Parent company information

Toshiba Corporation (listed on the Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, and London Stock Exchange)

2008:

(a) Parent company and major shareholders

Status	Name	Address	Capital (Millions of yen)	Business	Percentage of voting rights held by the parent company, etc. (%)
Parent company	Toshiba Corporation	Minato-ku, Tokyo	280,126	1. Manufacture of electric machines and equipment 2. Manufacture of measuring instruments, medical equipment and apparatus, and other machines and equipment 3. Software development and supply, electronic communication, broadcasting, information processing, information service 4. Chemical industry, metal industry, construction, ceramic industry, mining, soil and gravel mining 5. Business incidental to each of the above-mentioned businesses or industries 6. Investment in the company engaged in any of the above-mentioned businesses	Direct 59.96 Indirect 1.65

Notes:

1. The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
2. Toshiba Insurance Service Corporation, Shibaura Mechatronics Corporation and Toshiba Finance Corporation own 1.65%, 0% and 0%, respectively, of the Company's voting shares.

(b) Fellow subsidiaries, etc.

Status	Name	Address	Capital (Millions of yen)	Business	Percentage of voting rights held (%)
Subsidiary of the parent company	Toshiba Capital Corporation	Minato-ku, Tokyo	100	1. Loans 2. Purchase of monetary credits and notes 3. Trade of marketable securities 4. Business incidental to any of the above-mentioned business	None

Note: Consumption tax is not included in above-mentioned amounts pertaining to either transaction amounts or the balance at fiscal year end.

Relationship		Transactions		Transaction amounts (Millions of yen) (Thousands of U.S. dollars (Note 2))	Account item	Balance at fiscal year end (Millions of yen) (Thousands of U.S. dollars (Note 2))
Dispatch of executive officers, etc.	Business relationship					
None	Deposit of funds	Non-operating transaction	Deposit of funds	¥13,590 $138,349	Group deposits	¥1,710 $17,408

Policy for determining trade terms and other related matters
The Company is depositing funds with Toshiba Capital Corporation under a basic agreement entered into between the Company and Toshiba Capital concerning fund transactions.

Relationship		Transactions		Transaction amounts (Millions of yen)	Account item	Balance at fiscal year end (Millions of yen)
Dispatch of executive officers, etc.	Business relationship					
None	Accepting orders from the parent, this company performs electric works, pipe works, machinery installation contracts, electric communication works, building construction, firefighting facility construction and steel structure building works. The company also purchases part of the materials necessary for these building or other works listed above.	Business transactions	Construction contracting	¥99,440	Accounts receivable –completed work	¥49,229
					Other current assets	¥105
			Purchasing of materials	¥11,571	Advances received – unfinished work	¥1,996
					Accounts payable – construction work	¥5,735
					Other current liabilities	¥41

Policy for determining trade terms and other related matters
The general terms and conditions are applied to the contract for construction and purchasing of materials.

Relationship		Transactions		Transaction amounts (Millions of yen)	Account item	Balance at fiscal year end (Millions of yen)
Dispatch of executive officers, etc.	Business relationship					
None	Deposit of funds	Non-operating transaction	Deposit of funds	¥195,200	Group deposits	¥25,500

Policy for determining trade terms and other related matters
The Company is depositing funds with Toshiba Capital Corporation under a basic agreement entered into between the Company and Toshiba Capital concerning fund transactions.

Report of Independent Auditors

The Board of Directors
Toshiba Plant Systems & Services Corporation

We have audited the accompanying consolidated balance sheets of Toshiba Plant Systems & Services Corporation and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Toshiba Plant Systems & Services Corporation and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2.

Ernst & Young ShinNihon LLC

June 25, 2009

Stock Information As of March 31, 2009

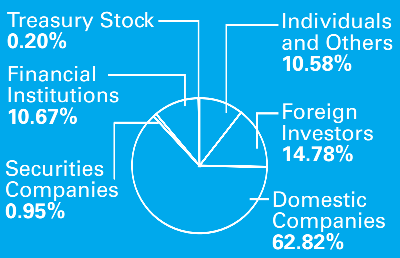
Common Stock:
265,000,000 shares

Issued and Outstanding:
97,656,888 shares

Number of Shareholders:
4,607

Paid-in Capital:
¥11,876,021,006

Distribution of Shareholders:



Principal Shareholders:

Names of Shareholders	Number of Shares Held (Thousands)	Percentage of Total Shares Outstanding
Toshiba Corporation	58,242	59.64%
The Master Trust Bank of Japan Limited (Trust Account)	3,468	3.55
Japan Trustee Services Bank, Ltd. (Trust Account)	2,776	2.84
Toshiba Insurance Service Corporation	1,600	1.64
Japan Trustee Services Bank, Ltd. (Trust Account 4G)	1,553	1.59
Millenium	1,403	1.44
Toshiba Plant Systems & Services Employees' Shareholding Association	1,039	1.06
Nomura Asset Management U.K. Limited Sub A/C Evergreen Nominees Ltd.	940	0.96
Goldman Sachs International	846	0.87
Toshiba Plant Systems & Services Subcontractors' Shareholding Association	826	0.85
Total of 10 Shareholders	72,693	74.44%

Corporate Data As of June 25, 2009

THE SENIOR MANAGEMENT AND CORPORATE AUDITORS

President and Chief Executive Officer, Representative Director
Tetsuo Ishii

Executive Vice President and Director
Kenji Sato

Senior Vice Presidents and Directors
Koichi Hatano
Masayoshi Fujimaki
Takahiro Toyozumi

Vice Presidents and Directors
Kazushige Takaku
Takatoshi Katoh
Takakuni Iijima
Yasuo Nakayama
Shunichi Haga

Executive Officers
Sumio Koriki
Yoshio Konno
Nobuyasu Kawai
Tetsuro Okutani
Ryuzo Takeshita
Tetsuya Kishi

Statutory Auditors
Fumio Kikuchi
Shuji Kusaka
Osamu Maekawa
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