

CONSOLIDATED STATEMENTS OF OPERATIONS

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES

years ended March 31, 2003 and 2002

	Millions of yen		Thousands of U.S. dollars
	2003	2002	2003
Net sales	¥97,297	¥104,599	\$809,459
Cost of sales	68,455	74,495	569,509
Gross profit	28,842	30,104	239,950
Selling, general and administrative expenses	25,786	28,636	214,526
Operating income	3,056	1,468	25,424
Other income:			
Interest and dividends	90	161	749
Gain on sales of property, plant and equipment	582	—	4,842
Gain on sales of offset rotary presses business	—	1,500	—
Others	603	616	5,017
	1,275	2,277	10,608
Other expenses:			
Interest	969	1,261	8,062
Loss on sales of investment securities	167	—	1,389
Special benefits for employees retired under early retirement program	—	777	—
Restructuring expenses related to printing presses business	—	714	—
Loss on disposal of inventories	—	877	—
Others	1,956	2,126	16,273
	3,092	5,755	25,724
Income(loss) before income taxes and minority interests	1,239	(2,010)	10,308
Income taxes:(Note 11)	193	413	1,606
Current	121	162	1,007
Deferred	72	251	599
Minority interests in loss of consolidated subsidiaries	6	499	50
Net income (loss)	¥1,052	¥(1,924)	\$8,752
		Yen	U.S. dollars
Net income (loss) per share of common stock	¥6.29	¥(11.53)	\$0.05

See accompanying notes to financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES

years ended March 31, 2003 and 2002

	Millions of yen			
	Number of Shares	Common stock	Additional paid in capital	Retained earnings
Balance at March 31, 2001	166,885,530	12,485	19,405	5,725
Net loss				(1,924)
Bonuses to directors and statutory auditors				(10)
Balance at March 31, 2002	166,885,530	12,485	19,405	3,791
Net income				1,052
Increase on consolidated subsidiaries				32
Bonuses to directors and statutory auditors				(9)
Balance at March 31, 2003	166,885,530	¥12,485	¥19,405	¥4,866
		Thousands of U.S. dollars		
Balance at March 31, 2002		\$103,869	\$161,439	\$31,539
Net income				8,752
Increase on consolidated subsidiaries				266
Bonuses to directors and statutory auditors				(75)
Balance at March 31, 2003		\$103,869	\$161,439	\$40,482

See accompanying notes to financial statements.