

CONSOLIDATED STATEMENTS OF INCOME

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES
years ended March 31, 2004 and 2003

	Millions of yen		Thousands of U.S. dollars
	2004	2003	2004
Net sales	¥110,658	¥97,297	\$1,047,005
Cost of sales	77,627	68,455	734,478
Gross profit	33,031	28,842	312,527
Selling, general and administrative expenses	25,430	25,786	240,609
Operating income	7,601	3,056	71,918
Other income:			
Interest and dividends	100	90	946
Gain on sales of property, plant and equipment	785	582	7,427
Others	441	603	4,173
	1,326	1,275	12,546
Other expenses:			
Interest	695	969	6,576
Loss on sales of investment securities	—	167	—
Special benefits for employees retired under early retirement program	894	—	8,459
Amortization of transitional obligation for employees retirement benefits (Note 7)	835	835	7,900
Others	1,399	1,121	13,237
	3,823	3,092	36,172
Income before income taxes and minority interests	5,104	1,239	48,292
Income taxes:(Note 11)	817	193	7,730
Current	727	121	6,879
Deferred	90	72	851
Minority interests in income (loss) of consolidated subsidiaries	134	(6)	1,268
Net income	¥4,153	¥1,052	\$39,294
		Yen	U.S. dollars
Net income per share of common stock	¥24.71	¥6.29	\$0.23

See accompanying notes to financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES
years ended March 31, 2004 and 2003

	Millions of yen			
	Number of Shares	Common stock	Additional paid in capital	Retained earnings
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
Net income				4,153
Cash dividends				(500)
Bonuses to directors and statutory auditors				(2)
Balance at March 31, 2004	166,885,530	¥12,485	¥19,405	¥8,517
		Thousands of U.S. dollars		
Balance at March 31, 2003		\$118,128	\$183,603	\$46,040
Net income				39,294
Cash dividends				(4,731)
Bonuses to directors and statutory auditors				(18)
Balance at March 31, 2004		\$118,128	\$183,603	\$80,585

See accompanying notes to financial statements.