

Financial Review

CONSOLIDATED BALANCE SHEETS

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES

March 31, 2005 and 2004

ASSETS	Millions of yen		Thousands of U.S. dollars
	2005	2004	2005
Current assets:			
Cash and time deposits (Note 12)	¥26,619	¥ 36,107	\$247,872
Marketable securities (Note 4)	-	34	-
Notes and Accounts receivable, trade	52,578	50,529	489,598
Allowance for doubtful receivables	(430)	(542)	(4,004)
Net receivables	52,148	49,987	485,594
Inventories:			
Finished products	3,945	5,810	36,735
Work in process	25,569	20,349	238,095
Raw materials and supplies	2,162	1,712	20,132
Total inventories	31,676	27,871	294,962
Deferred taxes (Note 11)	2,164	737	20,151
Other current assets	1,622	2,252	15,105
Total current assets	114,229	116,988	1,063,684
Property, plant and equipment, net (Notes 5 and 10)	22,208	22,196	206,798
Intangible Assets	663	486	6,174
Investments and other assets:			
Investments in:			
Unconsolidated subsidiaries and affiliates	153	1,405	1,425
Other securities (Note 4)	6,537	5,680	60,872
Long-term loans	337	374	3,138
Deferred taxes (Note 11)	89	145	829
Other investments	841	1,035	7,830
Total investments and other assets	7,957	8,639	74,094
Total assets	¥145,057	¥148,309	\$1,350,750

See accompanying notes to financial statements

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		Thousands of U.S. dollars
	2005	2004	2005
Current liabilities:			
Short-term bank loans (Notes 6 and 10)	26,452	¥41,348	\$246,317
Current portion of long-term debt (Notes 6 and 10)	762	748	7,096
Notes and Accounts payable	34,779	32,240	323,857
Income taxes payable	4,444	632	41,382
Accrued expenses	5,736	6,112	53,413
Advances received	2,768	2,157	25,775
Other current liabilities	731	1,408	6,807
Total current liabilities	75,672	84,645	704,647
Long-term liabilities:			
Long-term debt (Notes 6 and 10)	11,378	12,140	105,950
Deferred taxes (Note 11)	1,570	1,512	14,620
Accrued employees' retirement benefits (Note 7)	8,004	7,100	74,532
Total long-term liabilities	20,952	20,752	195,102
Total liabilities	96,624	105,397	899,749
Contingent liabilities (Note 8 and Note 15)			
Minority interest in consolidated subsidiaries	809	682	7,533
Shareholders' equity:			
Common stock			
Authorized 360,000,000 shares			
Issued 166,885,530 shares	12,485	12,485	116,258
Additional paid-in capital	19,405	19,405	180,697
Retained earnings	14,461	8,517	134,659
Unrealized holding gain on securities	2,747	2,286	25,580
Foreign currency translation adjustments	(653)	(453)	(6,081)
Treasury stock, at cost (2,056,612 shares in 2005, 39,175 shares in 2004)	(821)	(10)	(7,645)
Total shareholders' equity	47,624	42,230	443,468
Total liabilities and shareholders' equity	¥145,057	¥148,309	\$1,350,750

See accompanying notes to financial statements