

# Financial Review

## CONSOLIDATED BALANCE SHEETS

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES

March 31, 2009 and 2008

ASSETS	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
<b>Current assets:</b>			
Cash and time deposits (Note 14)	¥15,194	¥17,083	\$154,678
Marketable securities (Note 5)	11,500	17,500	117,072
Notes and accounts receivable, trade	40,990	53,918	417,286
Allowance for doubtful receivables	(207)	(378)	(2,107)
Net receivables	40,783	53,540	415,179
<b>Inventories:</b>			
Finished products	4,640	5,069	47,236
Work in process	20,976	23,892	213,540
Raw materials and supplies	668	1,177	6,800
Total inventories	26,284	30,138	267,576
Deferred tax assets (Note 13)	2,425	3,090	24,687
Other current assets	2,457	1,530	25,012
Total current assets	98,643	122,881	1,004,204
Property, plant and equipment, net (Notes 6 and 12)	24,775	22,444	252,214
Intangible assets	607	620	6,179
<b>Investments and other assets:</b>			
Investments in:			
Unconsolidated subsidiaries and affiliates	2,293	3,283	23,343
Other securities (Note 5)	3,642	5,875	37,076
Long-term loans	174	205	1,771
Deferred tax assets (Note 13)	1,775	2,124	18,070
Other investments	825	566	8,400
Total investments and other assets	8,709	12,053	88,660
<b>Total assets</b>	<b>¥132,734</b>	<b>¥157,998</b>	<b>\$1,351,257</b>

See accompanying notes to financial statements.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
<b>Current liabilities:</b>			
Short-term bank loans (Notes 7 and 12)	¥12,010	¥11,500	\$122,264
Current portion of long-term debt (Note 7)	—	8,650	—
Notes and accounts payable, trade	22,253	37,875	226,540
Income taxes payable (Note 13)	607	5,824	6,179
Accrued expenses	4,610	6,265	46,931
Warranty reserve	83	86	845
Other current liabilities	6,564	6,268	66,823
Total current liabilities	46,127	76,468	469,582
<b>Long-term liabilities:</b>			
Long-term debt (Note 7)	7,500	—	76,351
Long-term accounts payable, other	1,054	2,009	10,730
Accrued employees' retirement benefits (Note 8)	9,180	9,310	93,454
Accrued directors' retirement benefits	96	207	977
Other long-term liabilities (Note 7)	65	—	662
Total long-term liabilities	17,895	11,526	182,174
Total liabilities	64,022	87,994	651,756
<b>Contingent liabilities (Note 9)</b>			
<b>Net assets:</b>			
<b>Shareholders' equity: (Note 17)</b>			
Common stock			
Authorized – 360,000,000 shares			
Issued – 166,885,530 shares	12,485	12,485	127,100
Additional paid-in capital	19,601	19,601	199,542
Retained earnings	46,826	43,879	476,698
Treasury stock, at cost (14,843,759 shares in 2009, 9,836,006 shares in 2008)	(10,036)	(8,398)	(102,169)
Total shareholders' equity	68,876	67,567	701,171
<b>Valuation and translation adjustments:</b>			
Unrealized holding gain on securities, net of tax	1,061	2,470	10,801
Deferred gains or losses on hedge	6	23	61
Foreign currency translation adjustments	(1,231)	(56)	(12,532)
Total valuation and translation adjustments	(164)	2,437	(1,670)
<b>Total net assets</b>	<b>68,712</b>	<b>70,004</b>	<b>699,501</b>
<b>Total liabilities and net assets</b>	<b>¥132,734</b>	<b>¥157,998</b>	<b>\$1,351,257</b>

See accompanying notes to financial statements.