

# CONSOLIDATED STATEMENTS OF INCOME

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES  
Years ended March 31, 2009 and 2008

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
<b>Net sales</b>	<b>¥121,890</b>	<b>¥148,779</b>	<b>\$1,240,863</b>
Cost of sales (Note 16)	<b>84,760</b>	101,628	<b>862,873</b>
Gross profit	<b>37,130</b>	47,151	<b>377,990</b>
<b>Selling, general and administrative expenses (Notes 15 and 16)</b>	<b>25,594</b>	28,180	<b>260,551</b>
Operating income	<b>11,536</b>	18,971	<b>117,439</b>
<b>Other income:</b>			
Interest and dividend	<b>402</b>	347	<b>4,092</b>
Rent income	<b>178</b>	166	<b>1,812</b>
Equity in earnings of affiliates	—	41	—
Gain on reversal of allowance for doubtful accounts	<b>73</b>	—	<b>743</b>
Gain on sales of property, plant and equipment	<b>4</b>	12	<b>41</b>
Gain on sales of investments in consolidated subsidiaries and affiliates	—	2,850	—
Gain on sales of investments in securities	—	3,130	—
Gain on change in interest in consolidated subsidiary	—	511	—
Others	<b>298</b>	322	<b>3,034</b>
	<b>955</b>	7,379	<b>9,722</b>
<b>Other expenses and losses:</b>			
Interest	<b>268</b>	334	<b>2,728</b>
Loss on sales of notes receivable	<b>87</b>	134	<b>886</b>
Foreign exchange loss	<b>107</b>	215	<b>1,089</b>
Amortization of transitional obligation for employees' retirement benefits (Note 8)	<b>502</b>	571	<b>5,110</b>
Equity in losses of affiliates	<b>924</b>	—	<b>9,406</b>
Brand fee expense	<b>249</b>	209	<b>2,535</b>
Loss on disposal of property, plant and equipment	<b>50</b>	291	<b>509</b>
Loss on revision of retirement benefit plan	—	3,708	—
Accrued for directors' retirement benefits for prior periods	—	163	—
Loss on devaluation of investment securities	<b>52</b>	—	<b>529</b>
Others	<b>386</b>	205	<b>3,931</b>
	<b>2,625</b>	5,830	<b>26,723</b>
Income before income taxes and minority interests	<b>9,866</b>	20,520	<b>100,438</b>
<b>Income taxes (Note 13)</b>			
Current	<b>2,676</b>	9,571	<b>27,242</b>
Deferred	<b>1,887</b>	(2,961)	<b>19,210</b>
	<b>4,563</b>	6,610	<b>46,452</b>
Net income	<b>¥5,303</b>	<b>¥13,910</b>	<b>\$53,986</b>
	Yen		U.S. dollars
<b>Net income per share of common stock</b>	<b>¥34.18</b>	<b>¥86.79</b>	<b>\$0.35</b>

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

TOSHIBA MACHINE CO., LTD. AND CONSOLIDATED SUBSIDIARIES

Years ended March 31, 2009 and 2008

	Millions of yen							
	Number of Shares	Common Stock	Additional paid in capital	Retained earnings	Treasury stock	Unrealized gain on securities, net	Deferred gains or losses on hedge	Translation adjustments
Balance at March 31, 2007	166,885,530	¥12,485	¥19,601	¥31,895	¥(2,072)	¥6,010	¥14	¥ (0)
Net income				13,910				
Purchases of treasury stock					(6,326)			
Cash dividends				(1,926)				
Net changes in items other than shareholders' equity						(3,540)	9	(56)
Balance at March 31, 2008	166,885,530	12,485	19,601	43,879	(8,398)	2,470	23	(56)
Net income				5,303				
Purchases of treasury stock					(1,638)			
Cash dividends				(2,356)				
Net changes in items other than shareholders' equity						(1,409)	(17)	(1,175)
Balance at March 31, 2009	166,885,530	¥12,485	¥19,601	¥46,826	¥ (10,036)	¥1,061	¥6	¥ (1,231)
	Thousands of U.S. dollars							
	Common Stock	Additional paid in capital	Retained earnings	Treasury stock	Unrealized gain on securities, net	Deferred gains or losses on hedge	Translation adjustments	
Balance at March 31, 2008	\$127,100	\$199,542	\$446,697	\$ (85,493)	\$25,145	\$234	\$ (570)	
Net income			53,986					
Purchases of treasury stock				(16,676)				
Cash dividends			(23,985)					
Net changes in items other than shareholders' equity					(14,344)	(173)	(11,962)	
Balance at March 31, 2009	\$127,100	\$199,542	\$476,698	\$ (102,169)	\$10,801	\$61	\$ (12,532)	

See accompanying notes to financial statements