## Financial Highlights

**Years ended March 31**

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td>Millions of yen</td>
<td>Thousands of U.S.dollars</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>¥376,187</td>
<td>¥443,402</td>
<td>¥510,846</td>
<td>¥492,970</td>
<td>¥422,601</td>
<td>$4,302,158</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>16,195</td>
<td>17,157</td>
<td>22,671</td>
<td>26,075</td>
<td>10,123</td>
<td>103,054</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>6,348</td>
<td>6,034</td>
<td>10,763</td>
<td>13,382</td>
<td>2,634</td>
<td>26,815</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>270,056</td>
<td>323,476</td>
<td>358,253</td>
<td>313,900</td>
<td>281,732</td>
<td>2,868,085</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>-</td>
<td>148,423</td>
<td>158,813</td>
<td>161,169</td>
<td>142,034</td>
<td>1,445,933</td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td>119,779</td>
<td>128,066</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Per share data:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income - Basic</td>
<td>¥22.44</td>
<td>¥21.40</td>
<td>¥38.72</td>
<td>¥48.20</td>
<td>¥9.53</td>
<td>$0.097</td>
</tr>
<tr>
<td>Total shareholders' equity</td>
<td>428.88</td>
<td>458.80</td>
<td>494.73</td>
<td>504.00</td>
<td>465.63</td>
<td>4.740</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Consolidated</strong></td>
<td>Millions of yen</td>
<td>Thousands of U.S.dollars</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>¥257,510</td>
<td>¥253,931</td>
<td>¥297,996</td>
<td>¥266,537</td>
<td>¥237,364</td>
<td>$2,416,410</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>5,691</td>
<td>3,720</td>
<td>4,299</td>
<td>5,008</td>
<td>(1,477)</td>
<td>(15,036)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>4,055</td>
<td>6,966</td>
<td>6,266</td>
<td>7,777</td>
<td>4,722</td>
<td>48,071</td>
</tr>
<tr>
<td><strong>Common stock</strong></td>
<td>39,971</td>
<td>39,971</td>
<td>39,971</td>
<td>39,971</td>
<td>39,971</td>
<td>406,912</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>198,634</td>
<td>197,815</td>
<td>237,996</td>
<td>204,069</td>
<td>200,658</td>
<td>2,042,736</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>-</td>
<td>110,494</td>
<td>113,039</td>
<td>117,124</td>
<td>116,766</td>
<td>1,188,700</td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td>105,248</td>
<td>110,494</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Per share data:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income - Basic</td>
<td>¥14.33</td>
<td>¥24.84</td>
<td>¥22.54</td>
<td>¥28.01</td>
<td>¥17.09</td>
<td>$0.174</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>8.00</td>
<td>9.00</td>
<td>11.00</td>
<td>12.00</td>
<td>5.00</td>
<td>0.051</td>
</tr>
<tr>
<td>Total shareholders' equity</td>
<td>376.91</td>
<td>395.91</td>
<td>407.11</td>
<td>421.99</td>
<td>424.09</td>
<td>4.317</td>
</tr>
</tbody>
</table>

The dollar amounts in this report represent translations of yen, for convenience only, at the rate of ¥98.23=US$1.00, the exchange rate prevailing on March 31, 2009.

## CONTENTS

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Business Overview in the Consolidated Fiscal Year 2008

As for the global economy in the consolidated fiscal year 2008, the global financial crisis resulting from subprime loan concerns in the United States severely affected the real economy and therefore the economic downturn deepened in the US and Europe while the economy slowed rapidly throughout Asia. The Japanese economy also slowed at high speeds, since the global economic downturn caused a drastic decrease in export, production and capital investments coupled with slumping consumer spending.

Under these economic circumstances, the Toshiba TEC Group was committed to developing and introducing competitive products, strengthening regional sales strategies, improving business efficiency, reforming the business structure, streamlining resources and driving innovation activities.

We devoted ourselves to further developing the company business under the operation system centering on the retail solution business, the document systems business and the auto-ID & printer business, from April 1, 2008, aiming to achieve an agile and flexible business system in order to respond to changes in the business environment.

However, sales amounted to 422,601 million yen, a 14% decrease over the previous consolidated fiscal year, due to global market slowdown resulting from downturn in economy, strong yen and the influence of the transfer of the home electric appliances business and concentration of major transactions in the first half of the previous fiscal year. We recorded a declining profit in spite of our efforts to increase our earning capacity through the cost structure reform. The influence of strong yen and the consolidated subsidiary goodwill amortization in accordance with changes in the accounting system resulted in a decrease in operating income of 61% over the previous consolidated fiscal year to 10,123 million yen, a decrease in ordinary income of 70% over the previous consolidated fiscal year to 6,807 million yen and a decrease in net income of 80% to 2,634 million yen.

Given the above severe financial condition, we declare an interim dividend of 5 yen per share regarding surplus in this fiscal year. We regret to inform, we will pass a dividend at the end of this term. Your understanding will be highly appreciated.

Issues to be Addressed

The future economies in Europe and the United States are expected to decline with the serious impact of the global financial crisis on export, employment, income and personal consumption while the economy in Asia is expected to slow down. Japanese economy is also expected to deteriorate further, with the adverse effect on export, capital investment and sluggish personal consumption.

Under these economic circumstances, the Toshiba TEC Group is committed to achieving realization of “Establish of a strong constitution for profits”. We will make concerted efforts together in order to assure a strong corporate structure by improving sales and service efficiency, selecting and concentrating investments, strengthening our manufacturing capacity and stabilizing our financial status.
Main measures of each business group as of Financial Year 2008 are as follows.

Retail Solution Business Group

The Retail Solution Business Group will concentrate its efforts to enforce profitability, by promoting development, release and expanding our sales of new products, area marketing on the domestic front, and further enlargement in foreign market in order to expand our sales of POS systems and other related products.

Document Systems Business Group

The Document Systems Business Group is committed to improve and strengthen its profitability by developing, releasing and expanding sales of new competitive products, reducing fixed cost and enhancing sales and service efficiency in order to realize strong profitability.

Auto ID & Printer Business Group

We will strive to enforce our business basis and its profitability for expanding our sales areas both on the domestic and international front, cultivating new markets and customers, and releasing new products, etc. in order to enforce both business basis and its profitability.
### Consolidated Balance Sheets
March 31, 2009 and 2008

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>¥68,532</td>
<td>¥63,958</td>
<td>$697,669</td>
</tr>
<tr>
<td>Trade notes and accounts receivable</td>
<td>58,353</td>
<td>76,995</td>
<td>594,045</td>
</tr>
<tr>
<td>Inventories</td>
<td>34,938</td>
<td>40,328</td>
<td>355,675</td>
</tr>
<tr>
<td>Deferred income taxes (Note 9)</td>
<td>7,232</td>
<td>10,537</td>
<td>73,623</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>9,833</td>
<td>10,511</td>
<td>100,102</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(1,596)</td>
<td>(3,239)</td>
<td>(16,248)</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>177,292</td>
<td>199,090</td>
<td>1,804,866</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>31,262</td>
<td>28,985</td>
<td>318,253</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>29,984</td>
<td>31,912</td>
<td>305,243</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>56,712</td>
<td>55,805</td>
<td>577,339</td>
</tr>
<tr>
<td>Land</td>
<td>2,809</td>
<td>2,874</td>
<td>28,596</td>
</tr>
<tr>
<td>Lease Assets</td>
<td>6,884</td>
<td>-</td>
<td>70,080</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(95,133)</td>
<td>(89,730)</td>
<td>(968,472)</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>3,541</td>
<td>3,856</td>
<td>36,048</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td>36,059</td>
<td>33,702</td>
<td>367,087</td>
</tr>
<tr>
<td><strong>Intangible assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>27,970</td>
<td>41,223</td>
<td>284,740</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>6,173</td>
<td>6,881</td>
<td>62,842</td>
</tr>
<tr>
<td><strong>Total investments and other assets</strong></td>
<td>34,143</td>
<td>48,104</td>
<td>347,582</td>
</tr>
</tbody>
</table>

| Allowance for doubtful accounts | (1,596) | (3,239) | (16,248) |
| **Total assets** | ¥281,732 | ¥313,900 | $2,868,085 |

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
**LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade notes and accounts payable</td>
<td>¥40,503</td>
<td>¥46,364</td>
<td>$412,328</td>
</tr>
<tr>
<td>Short-term loans (Note 3)</td>
<td>11,802</td>
<td>13,853</td>
<td>120,147</td>
</tr>
<tr>
<td>Current portion of long-term debt (Note 3)</td>
<td>1</td>
<td>621</td>
<td>10</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>1,178</td>
<td>-</td>
<td>11,992</td>
</tr>
<tr>
<td>Accrued income and other taxes</td>
<td>726</td>
<td>3,524</td>
<td>7,391</td>
</tr>
<tr>
<td>Accrued bonuses to directors and corporate auditors</td>
<td>-</td>
<td>92</td>
<td>-</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>49,594</td>
<td>58,645</td>
<td>504,876</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>103,804</td>
<td>123,099</td>
<td>1,056,744</td>
</tr>
<tr>
<td><strong>Long-term liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term debt (Note 3)</td>
<td>3</td>
<td>28</td>
<td>31</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>3,852</td>
<td>-</td>
<td>39,214</td>
</tr>
<tr>
<td>Accrued retirement benefits (Note 4)</td>
<td>30,419</td>
<td>27,515</td>
<td>309,671</td>
</tr>
<tr>
<td>Allowance for retirement benefits for directors and corporate auditors</td>
<td>230</td>
<td>349</td>
<td>2,341</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>1,390</td>
<td>1,740</td>
<td>14,150</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td>35,894</td>
<td>29,632</td>
<td>365,407</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>139,698</td>
<td>152,731</td>
<td>1,422,151</td>
</tr>
</tbody>
</table>

**Contingent liabilities (Note 5)**

**Shareholders’ equity**

Common stock
- Authorized-1,000,000,000 shares
- Issued-288,145,704 shares

Capital surplus
Retained earnings

Less treasury stock, at cost:
- 12,925,892 shares in 2009 (5,363)
- 10,598,347 shares in 2008 (4,141)

**Total shareholders’ equity**

**Valuation and Translation adjustment**

Unrealized holding gains on securities
Net deferred profits on hedges
Foreign currency translation adjustments

**Total valuation and translation adjustments**

**Share subscription rights**

**Minority interest in consolidated subsidiaries**

**Total Net assets**

**Total liabilities and Net assets**
## Consolidated Statements of Operations

Years ended March 31, 2009 and 2008

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td>Net sales</td>
<td>¥422,601</td>
<td>¥492,970</td>
</tr>
<tr>
<td>Cost of sales (Note 8)</td>
<td>228,434</td>
<td>262,632</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>194,167</td>
<td>230,338</td>
</tr>
<tr>
<td>Selling, general and administrative expenses (Note 6 and 8)</td>
<td>184,044</td>
<td>204,263</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>10,123</td>
<td>26,075</td>
</tr>
<tr>
<td>Non-operating income and expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>925</td>
<td>1,514</td>
</tr>
<tr>
<td>Gain on business transfer of Home Electric Appliances business (Note 14)</td>
<td>-</td>
<td>225</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(610)</td>
<td>(824)</td>
</tr>
<tr>
<td>Restructuring cost</td>
<td>(1,365)</td>
<td>(947)</td>
</tr>
<tr>
<td>Other, net (Note 7)</td>
<td>(3,631)</td>
<td>(3,802)</td>
</tr>
<tr>
<td><strong>Income before income taxes and minority interest</strong></td>
<td>5,442</td>
<td>22,241</td>
</tr>
<tr>
<td>Income taxes (Note 9):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>1,377</td>
<td>7,339</td>
</tr>
<tr>
<td>Deferred</td>
<td>2,119</td>
<td>(226)</td>
</tr>
<tr>
<td><strong>Income before minority interest</strong></td>
<td>1,946</td>
<td>15,128</td>
</tr>
<tr>
<td>Minority interest in income of consolidated subsidiaries</td>
<td>(688)</td>
<td>1,746</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>¥2,634</td>
<td>¥13,382</td>
</tr>
</tbody>
</table>

|                                | Yen            | U.S. dollars                      |
|                                | 2009           | 2008                              | 2009                          |
| Net income-Basic               | ¥9.53          | ¥48.20                            | $0.097                        |
| Cash dividends                 | ¥5.00          | ¥12.00                            | $0.051                        |

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
## Consolidated Statements of Changes in Net Assets

**Years ended March 31, 2009 and 2008**

<table>
<thead>
<tr>
<th>Shareholder's equity</th>
<th>Millions of yen</th>
<th>Millions of yen</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>Capital surplus</td>
<td>Retained earnings</td>
<td>Treasury stock, at cost</td>
</tr>
<tr>
<td>Balance at March 31, 2007</td>
<td>$39,971</td>
<td>$52,987</td>
<td>$42,452</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>-</td>
<td>-</td>
<td>13,382</td>
</tr>
<tr>
<td>Cash dividends (Note 18)</td>
<td>-</td>
<td>-</td>
<td>(3,193)</td>
</tr>
<tr>
<td>Purchases of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Retirement of treasury stock</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Changes by revision of consolidation scope</td>
<td>-</td>
<td>-</td>
<td>(1,528)</td>
</tr>
<tr>
<td>Other, net</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at March 31, 2008</td>
<td>$39,971</td>
<td>$52,987</td>
<td>$51,113</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Valuation and Translation adjustments</th>
<th>Minority interests</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net unrealized holding gains on securities</td>
<td>-</td>
<td>$1,036</td>
</tr>
<tr>
<td>Net realized gains on foreign currency translation adjustments</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Total translation adjustment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash dividends (Note 18)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchases of treasury stock</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Retirement of treasury stock</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Changes by revision of consolidation scope</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other, net</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at March 31, 2008</td>
<td>$613</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholder's equity</th>
<th>Millions of yen</th>
<th>Millions of yen</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>Capital surplus</td>
<td>Retained earnings</td>
<td>Treasury stock, at cost</td>
</tr>
<tr>
<td>Balance at March 31, 2008</td>
<td>$39,971</td>
<td>$52,987</td>
<td>$47,229</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholder's equity</th>
<th>Millions of yen</th>
<th>Millions of yen</th>
<th>Total net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>Capital surplus</td>
<td>Retained earnings</td>
<td>Treasury stock, at cost</td>
</tr>
</tbody>
</table>

| Balance at March 31, 2009 | $164 | $(279) | $(6,557) | $(6,672) | $13,837 |

| Balance at March 31, 2008 | $406,912 | $539,438 | $520,340 | $(42,156) | $1,424,534 |
| Net income for the year | - | - | 26,815 | - | 26,815 |
| Cash dividends (Note 18) | - | - | (32,373) | - | (32,373) |
| Purchases of treasury stock | - | - | - | (12,603) | (12,603) |
| Retirement of treasury stock | - | - | - | 163 | 163 |
| Changes by revision of consolidation scope | - | - | (3,407) | - | (3,407) |
| Other, net | - | - | 702 | - | 702 |
| Balance at March 31, 2009 | $406,912 | $539,408 | $480,800 | $(34,996) | $1,372,524 |

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Numbers of shares in issue: 288,145,704 shares in fiscal year 2008
## Consolidated Statements of Cash Flows

Years ended March 31, 2009 and 2008

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income before income taxes and minority interest</td>
<td>¥5,442</td>
<td>¥22,241</td>
</tr>
<tr>
<td>Adjustment to reconcile income before income taxes and minority interest to net cash provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>16,973</td>
<td>13,821</td>
</tr>
<tr>
<td>Allowance for doubtful accounts</td>
<td>(1,342)</td>
<td>(252)</td>
</tr>
<tr>
<td>Accrual for retirement benefits, less payments</td>
<td>2,824</td>
<td>(185)</td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>(925)</td>
<td>(1,514)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>610</td>
<td>824</td>
</tr>
<tr>
<td>Loss on sales or disposal of fixed assets</td>
<td>264</td>
<td>327</td>
</tr>
<tr>
<td>Gain or loss on sales of investment securities</td>
<td>7</td>
<td>(7)</td>
</tr>
<tr>
<td>Write down of investment securities</td>
<td>22</td>
<td>141</td>
</tr>
<tr>
<td>Gain on business transfer of Home Electric Appliances business (Note 14)</td>
<td>-</td>
<td>(225)</td>
</tr>
<tr>
<td>Restructuring cost</td>
<td>1,365</td>
<td>947</td>
</tr>
<tr>
<td>Changes in assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and accounts receivable</td>
<td>10,495</td>
<td>12,192</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,861</td>
<td>8,799</td>
</tr>
<tr>
<td>Notes and accounts payable</td>
<td>723</td>
<td>(25,802)</td>
</tr>
<tr>
<td>Other</td>
<td>(9,926)</td>
<td>(9,211)</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>28,379</td>
<td>22,110</td>
</tr>
<tr>
<td>Interest and dividend income received</td>
<td>909</td>
<td>1,523</td>
</tr>
<tr>
<td>Interest expense payments</td>
<td>(614)</td>
<td>(832)</td>
</tr>
<tr>
<td>Payments of extra pension for early retirement</td>
<td>(37)</td>
<td>(1,486)</td>
</tr>
<tr>
<td>Income taxes payments</td>
<td>(4,378)</td>
<td>(12,301)</td>
</tr>
<tr>
<td>Income taxes refund</td>
<td>2,504</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>26,763</td>
<td>9,014</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(11,141)</td>
<td>(10,800)</td>
</tr>
<tr>
<td>Proceeds from sales of property, plant and equipment</td>
<td>298</td>
<td>413</td>
</tr>
<tr>
<td>Acquisition of intangible assets</td>
<td>(2,121)</td>
<td>(4,501)</td>
</tr>
<tr>
<td>Acquisition of investment securities</td>
<td>(6)</td>
<td>(204)</td>
</tr>
<tr>
<td>Acquisition of investments in newly consolidated subsidiaries (Note 16)</td>
<td>-</td>
<td>(533)</td>
</tr>
<tr>
<td>Proceeds from sales of investment securities</td>
<td>21</td>
<td>19</td>
</tr>
<tr>
<td>Payments for business acquisition (Note 16)</td>
<td>(1,133)</td>
<td>-</td>
</tr>
<tr>
<td>Payments of loan receivable</td>
<td>(19)</td>
<td>(38)</td>
</tr>
<tr>
<td>Proceeds from loan receivable</td>
<td>40</td>
<td>63</td>
</tr>
<tr>
<td>Proceeds from business transfer of Home Electric Appliances business (Note 14)</td>
<td>-</td>
<td>1,886</td>
</tr>
<tr>
<td>Proceeds from liquidation of non-consolidated subsidiaries (dormant)</td>
<td>182</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>464</td>
<td>177</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(13,415)</td>
<td>(13,518)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds (Repayments) of short-term loans, net</td>
<td>(860)</td>
<td>(4,262)</td>
</tr>
<tr>
<td>Repayments of long-term debt</td>
<td>(585)</td>
<td>(685)</td>
</tr>
<tr>
<td>Purchase of treasury stock</td>
<td>(1,238)</td>
<td>(82)</td>
</tr>
<tr>
<td>Payments of dividend</td>
<td>(3,180)</td>
<td>(3,193)</td>
</tr>
<tr>
<td>Payments of dividend to minority shareholders of subsidiaries</td>
<td>(576)</td>
<td>(595)</td>
</tr>
<tr>
<td>Other</td>
<td>(911)</td>
<td>4</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(7,350)</td>
<td>(8,813)</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash and cash equivalents</td>
<td>(1,425)</td>
<td>(3,410)</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents</td>
<td>4,573</td>
<td>(16,727)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>63,958</td>
<td>79,736</td>
</tr>
<tr>
<td>Increase in cash and cash equivalents resulting from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiaries inclusion in consolidation</td>
<td>-</td>
<td>949</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of year</strong></td>
<td>$68,532</td>
<td>$63,958</td>
</tr>
</tbody>
</table>

* By applying the "Accounting Standard for Lease Transactions" and the "Implementation Guidance for Accounting Standard for Lease Transaction", the impact of non-financial transaction on assets and liabilities is ¥3,653 ($37,188) and ¥3,483 ($35,458) million respectively.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
1. Basis of Presenting Consolidated Financial Statements

The consolidated financial statements of TOSHIBA TEC CORPORATION (the "Company") have been prepared in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan.

Certain reclassifications have been made to present the consolidated financial statements in a format which is more familiar to the readers outside Japan.

Solely for the convenience of the readers, the consolidated financial statements have been presented in U.S. dollars by translating Japanese yen amounts at the exchange rate of ¥98.23 = US$1.00 prevailing as of March 31, 2009. The translation should not be construed as a representation that the Japanese yen could be converted into U.S. dollar at the above or any other rate of exchange.

2. Summary of Significant Accounting Policies

(A) Basis of Consolidation and Accounting of Investments in Affiliated Companies

The consolidated financial statements include the accounts of the Company and its significant majority-owned subsidiaries (together the “Companies”). For the years ended March 31, 2009 and 2008, the accounts of 79 and 87 subsidiaries are consolidated, respectively. All significant inter-company transactions and accounts are eliminated in consolidation.

All assets and liabilities of the subsidiaries are revaluated on acquisitions, if applicable. The difference between the cost of investments in subsidiaries and the equity in their assets and liabilities at the dates of acquisition is recognized on goodwill in the consolidated balance sheet and principally amortized by the straight-line method over 5 to 15 years.

The Company has no unconsolidated subsidiary for which the equity method of accounting has been applied for the years ended March 31, 2009 and 2008.

From the perspective of immateriality, the investments in the remaining unconsolidated subsidiaries and affiliated companies are stated at cost.

Certain subsidiaries have year end which differs from that of the Company. As a result, adjustments have been made for any significant transactions that took place during the period between the year end of the subsidiaries and the year end of the Company.

(B) Foreign Currency Translation

Revenue and expense accounts of foreign subsidiaries are translated into yen using the annual average rate during the year. The balance sheet accounts, except for the components of net assets, are translated at the rate in effect at the balance sheet date. The components of net assets are translated at their historical rates. Translation adjustments are presented as a component of “Valuation and Translation adjustments” under Net Assets in the consolidated balance sheets.

Foreign currency transactions are measured at the applicable rates of exchange prevailing at the transaction dates, unless hedged by foreign exchange contracts. Assets and liabilities denominated in foreign currencies at the balance sheet date are re-measured at the applicable rates of exchange prevailing at that date, unless hedged by foreign exchange contracts. Exchange differences are charged or credited to operations.

(C) Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments, generally with original maturities of three months or less.

(D) Investment Securities

Marketable securities classified as “Other securities” are reported at fair value with unrealized holding gains or losses, net of taxes, presented as a component of “Valuation and Translation adjustments” under Net Assets in the consolidated balance sheets. Cost of securities sold is determined by the moving average method.

Non-marketable securities classified as “Other securities” are carried at cost, which is determined by the moving average method.

(E) Inventories

Prior to April 1, 2008, finished goods, merchandises and semi-finished components are principally stated at the lower of cost, determined by the first-in, first-out method, or market, or at the cost determined by the specific cost method. Work-in-process is principally stated at the lower of cost, determined by the moving average method, or market, or at the cost determined by the specific cost method. Raw materials are principally stated at the lower of cost, determined by the moving average method, or market.

Effective for the fiscal year 2008, the Accounting Standard for Measurement of Inventories (ASBJ Statement No 9) has been applied from the current consolidated fiscal year. The value stated on the balance sheet is calculated by the lower of the cost or market prices in consideration of its profitability. This change in accounting had no impact on operating income and income before income taxes and minority interest.

(F) Property, Plant and Equipment and Depreciation

Property, plant and equipment are carried at cost. Material improvements are capitalized, but repair and maintenance including minor improvements are charged to income.

Depreciation of property, plant and equipment is generally computed by the declining-balance method for the Company and its domestic subsidiaries, and by the straight-line method for the overseas subsidiaries, at the rates based on the estimated useful lives of the respective assets. The useful lives of principal property, plant and equipment are summarized as follows:

<table>
<thead>
<tr>
<th>Class of Asset</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and structures</td>
<td>15 to 38 years</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>5 to 13 years</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>1 to 6 years</td>
</tr>
</tbody>
</table>

Effective for the year ended March 31, 2009, under a revision of the Corporation Tax Law, the Company and domestic subsidiaries changed the depreciation method into that based on the revised Corporation Tax Law. With regard to the depreciation of machinery and equipment, the duration has changed into 7-13 years from 7-11 years. By the adoption of this change, the operating income, the ordinary income and the income before tax have decreased by ¥335 million each.
(G) Intangible Assets and Amortization
Intangible assets are amortized by the straight-line method over their estimated useful lives.
Goodwill recognized through purchase and acquisition of subsidiary is basically amortized by the straight-line method over 5 to 15 years period.

(H) Allowance for Doubtful Accounts
Allowance for doubtful accounts is provided in the amount sufficient to cover probable losses on collection. It consists of individually estimated uncollectible amounts and an amount calculated using the rate of actual losses on collection in the past.

(I) Accrued bonuses to directors and corporate auditors
The bonuses to directors and corporate auditors are accounted for as an expense of the accounting period in which such bonuses were accrued.

(J) Retirement Benefits
Upon retirement or termination of employment, employees of the Company and its domestic subsidiaries are generally entitled to lump-sum payments determined by reference to their current basic rate of pay, length of service and conditions under which the termination occurs.
The Company and its domestic subsidiaries provide allowance for the retirement benefits and make contributions to a non-contributory tax-qualified pension plans (the "Funded Plan") for employees’ severance indemnities payable, as part of the existing retirement plan.
Allowance for the employees’ retirement benefits are determined mainly at the amount based on the retirement benefit obligation and the fair value of the pension plan assets, as adjusted for amortization of unrecognized actuarial gain or loss and past service costs.

(K) Allowance for retirement benefits for directors and corporate auditors
The Company and its domestic subsidiaries provided allowance for the retirement benefits for directors and corporate auditors. At the board of directors meeting on March 26, 2008, the Company has adopted the stock option plan instead of the retirement benefits for directors and corporate auditors.

(L) Leases
The Companies lease certain equipment under non-cancelable lease agreements referred to as finance leases. Prior to April 1, 2008, finance leases other than those, which transfer the ownership of the leased property to the Companies, had been primarily accounted for as operating leases.
Effective for the consolidated fiscal year beginning April 1, 2008, the Companies have adopted “Accounting Standards for Lease Transactions” and “Implementation Guidance for Accounting Standards for Lease Transactions”. By applying these standards, depreciation of assets under finance leases, entered into on and after April 1, 2008, which do not transfer ownership of the leased assets to the lessee, are calculated by the straight-line method over the lease period with no residual value. This change in accounting had no impact on operating income and income before income taxes and minority interest.

(M) Income Taxes, Deferred Tax Assets and Liabilities
Deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws which will be in effect when the differences are expected to reverse.
The Company and its wholly owned domestic subsidiaries file their consolidated tax return in Japan for the Corporation Tax purpose.

(N) Consumption taxes
Consumption taxes withheld from sales and paid upon purchasing goods and services by the Company are not included in revenues and expenses.

(O) Derivative Financial Instruments
The Company and certain subsidiaries have entered into forward exchange contracts to hedge the risk of fluctuation in exchange rate in the foreign currency transactions related to accounts receivable and payable denominated in foreign currency.
Derivative financial instruments are reported at fair value with unrealized gain or loss, charged or credited to operations, except for those which meet the criteria for the deferral hedge accounting under which unrealized gains or losses is deferred as assets or liabilities. Receivables and payables hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates.

(P) Revenue Recognition
Sales are generally recognized at the time of shipment of the goods to customers except for sales of certain product, which are recorded in the accounts upon customer acceptance.

(Q) Research and Development Expenses
Research and development costs are charged to income as incurred.

(R) Impairment of Fixed Assets
According to the accounting standard, fixed assets are reviewed for impairment at least once a year and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

(S) The “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”
Effective for the fiscal year 2008, the Company has adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No 18, issued May 17, 2006) and carried out necessary consolidated financial adjustments. By the adoption of this rule, the retained earnings at the beginning of the year decreased by ¥3,406 million mainly due to amortizing goodwill of subsidiaries in America. The operating income and the income before income taxes and minority interest have also decreased by ¥1,659 million, respectively.
3. Short-Term Loans and Long-Term Debt

The average interest rate for short-term loans outstanding at March 31, 2009 and 2008 is 3.2% and 5.1%, respectively.

The long-term debt (including lease liabilities) at March 31, 2009 and 2008, consists of the following:

<table>
<thead>
<tr>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td>Long-term debt:</td>
<td></td>
</tr>
<tr>
<td>Due serially through 2017, with interest rate of 3.72%</td>
<td>¥3,649</td>
</tr>
<tr>
<td>Less current portion</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>¥3</td>
</tr>
</tbody>
</table>

 Lease liabilities | ¥5,030 | $51,206 |
| Lease current portion | 1,178 | 11,992 |

| | ¥3,852 | $39,214 |

The aggregate annual maturities of long-term debt (including the current portion) outstanding at March 31, 2009 are as follows:

<table>
<thead>
<tr>
<th>Year ending March 31</th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1,033</td>
<td>10,516</td>
</tr>
<tr>
<td>2011</td>
<td>1,342</td>
<td>13,662</td>
</tr>
<tr>
<td>2012</td>
<td>649</td>
<td>6,607</td>
</tr>
<tr>
<td>2013 and thereafter</td>
<td>94</td>
<td>957</td>
</tr>
</tbody>
</table>

| | ¥3,852 | $39,214 |

The aggregate annual maturities of lease liabilities (including the current portion) outstanding at March 31, 2009 are as follows:

<table>
<thead>
<tr>
<th>Year ending March 31</th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1,767</td>
<td>$17,988</td>
</tr>
<tr>
<td>2011</td>
<td>1,342</td>
<td>13,662</td>
</tr>
<tr>
<td>2012</td>
<td>649</td>
<td>6,607</td>
</tr>
<tr>
<td>2013 and thereafter</td>
<td>94</td>
<td>957</td>
</tr>
</tbody>
</table>

| | ¥3,852 | $39,214 |

4. Retirement Benefits

The Company and its domestic subsidiaries have defined benefit plans, i.e., the Funded Plans and the lump-sum payment plans, covering substantially all employees who are entitled to lump-sum or annuity payments, the amounts of which are determined by reference to their basic rates of pay, length of service, and the conditions under which termination occurs.

The following table sets forth the funded status of the plans, and the amounts recognized in the consolidated balance sheets as of March 31, 2009 and 2008 for the Companies' defined benefit plans:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement benefit obligation</td>
<td>¥(78,255)</td>
<td>$(796,651)</td>
</tr>
<tr>
<td>Plan assets</td>
<td>28,406</td>
<td>35,774</td>
</tr>
<tr>
<td>Unfunded benefit obligation</td>
<td>(49,849)</td>
<td>(507,472)</td>
</tr>
<tr>
<td>Unrecognized actuarial gain or loss</td>
<td>11,065</td>
<td>112,644</td>
</tr>
<tr>
<td>Unrecognized past service cost</td>
<td>8,530</td>
<td>86,837</td>
</tr>
<tr>
<td>Net amount recognized in the consolidated balance sheet</td>
<td>(30,254)</td>
<td>(307,991)</td>
</tr>
<tr>
<td>Prepaid pension cost</td>
<td>165</td>
<td>1,680</td>
</tr>
<tr>
<td>Accrued benefit obligation</td>
<td>¥(30,419)</td>
<td>$(309,671)</td>
</tr>
</tbody>
</table>

The components of retirement benefit expenses for the years ended March 31, 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service cost</td>
<td>¥3,256</td>
<td>$33,147</td>
</tr>
<tr>
<td>Interest cost</td>
<td>1,565</td>
<td>15,932</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>(1,046)</td>
<td>(10,648)</td>
</tr>
<tr>
<td>Amortization of actuarial gain or loss</td>
<td>1,287</td>
<td>13,102</td>
</tr>
<tr>
<td>Amortization of past service cost</td>
<td>1,251</td>
<td>12,735</td>
</tr>
<tr>
<td>Total</td>
<td>¥6,313</td>
<td>$64,268</td>
</tr>
</tbody>
</table>

Apart from the retirement benefit expenses above, additional retirement benefit payments are included in Non-operating expenses. The additional retirement benefit payments for the years ended March 31, 2009 and 2008 were ¥76 millions ($774 thousands) and ¥123 millions, respectively.

The assumption used in accounting for the above plans in 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rates</td>
<td>Mainly 2.0%</td>
<td>Mainly 2.0%</td>
</tr>
<tr>
<td>Expected return on assets</td>
<td>Mainly 4.0%</td>
<td>Mainly 4.0%</td>
</tr>
<tr>
<td>Amortization of actuarial gain or loss</td>
<td>10 years Straight-line method</td>
<td>10 years Straight-line method</td>
</tr>
<tr>
<td>Amortization of past service cost</td>
<td>10 years Straight-line method</td>
<td>10 years Straight-line method</td>
</tr>
</tbody>
</table>

5. Contingent liabilities

Contingent liabilities at March 31, 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade notes receivable discounted or endorsed</td>
<td>¥1,033</td>
<td>¥1,579</td>
</tr>
<tr>
<td>Guarantees on lease contracts</td>
<td>101</td>
<td>193</td>
</tr>
<tr>
<td>Guarantees on employees’ bank loans</td>
<td>731</td>
<td>954</td>
</tr>
<tr>
<td>Subsidiary’s guarantee on customers’ bank loans</td>
<td>2</td>
<td>9</td>
</tr>
</tbody>
</table>
6. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses at March 31, 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td>Delivering expense</td>
<td>¥7,445</td>
<td>¥8,071</td>
</tr>
<tr>
<td>Advertising expense</td>
<td>3,276</td>
<td>4,977</td>
</tr>
<tr>
<td>Personal expense</td>
<td>97,382</td>
<td>102,816</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>3,928</td>
<td>4,138</td>
</tr>
<tr>
<td>Research and development expense</td>
<td>20,070</td>
<td>23,716</td>
</tr>
<tr>
<td>Other selling expense</td>
<td>7,849</td>
<td>12,480</td>
</tr>
</tbody>
</table>

7. Non-Operating Income and Expenses - Other, Net

"Other, net" for the years ended March 31, 2009 and 2008, consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td>Write-down and disposal of inventories</td>
<td>$(491)</td>
<td>$(720)</td>
</tr>
<tr>
<td>Loss on sales or disposals of property, plant and equipment</td>
<td>(400)</td>
<td>(327)</td>
</tr>
<tr>
<td>Foreign exchange gain or loss</td>
<td>(1,666)</td>
<td>(1,219)</td>
</tr>
<tr>
<td>Other, net</td>
<td>(1,074)</td>
<td>(1,536)</td>
</tr>
<tr>
<td></td>
<td>(3,631)</td>
<td>(3,802)</td>
</tr>
</tbody>
</table>

8. Research and Development Expenses

Research and development costs charged to income for the years ended March 31, 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>¥29,592</td>
<td>¥30,677</td>
</tr>
</tbody>
</table>

9. Income Taxes and Deferred Tax Assets and Liabilities

The following table summarizes the difference between the statutory tax rate and the Company's effective tax rate for the years ended March 31 2009 and 2008.

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory tax rate</td>
<td>40.6%</td>
<td>40.6%</td>
</tr>
<tr>
<td>Effect of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Different tax rates applied to income of foreign subsidiaries</td>
<td>(19.3)</td>
<td>(10.9)</td>
</tr>
<tr>
<td>Expenses not deductible for income tax purposes</td>
<td>5.7</td>
<td>2.4</td>
</tr>
<tr>
<td>Changes in valuation allowance</td>
<td>0.5</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Corporation tax deduction for research expenditures</td>
<td>(9.0)</td>
<td>(3.4)</td>
</tr>
<tr>
<td>Amortization of goodwill of foreign subsidiaries</td>
<td>44.7</td>
<td>-</td>
</tr>
<tr>
<td>Other, net</td>
<td>1.0</td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>64.2%</td>
<td>32.0%</td>
</tr>
</tbody>
</table>

Significant components of the Companies' deferred tax assets and liabilities at March 31, 2009 and 2008 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred tax assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued retirement benefits</td>
<td>¥11,881</td>
<td>¥10,814</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>9,174</td>
<td>8,826</td>
</tr>
<tr>
<td>Accrued bonuses</td>
<td>3,151</td>
<td>3,717</td>
</tr>
<tr>
<td>Elimination of consolidated unrealized gains</td>
<td>1,286</td>
<td>3,027</td>
</tr>
<tr>
<td>Other</td>
<td>6,500</td>
<td>8,118</td>
</tr>
<tr>
<td>Valuation allowance</td>
<td>(1,658)</td>
<td>(1,500)</td>
</tr>
<tr>
<td></td>
<td>30,334</td>
<td>33,002</td>
</tr>
</tbody>
</table>

Deferred tax liabilities:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained earnings appropriated for tax allowable reserves</td>
<td>317</td>
<td>380</td>
</tr>
<tr>
<td>Unrealized gains on securities</td>
<td>111</td>
<td>421</td>
</tr>
<tr>
<td>Other</td>
<td>(45)</td>
<td>179</td>
</tr>
<tr>
<td></td>
<td>383</td>
<td>980</td>
</tr>
</tbody>
</table>

Net deferred tax assets | ¥29,951        | ¥32,022               | $304,907 |

10. Leases

The year ended in March 31, 2008

(A) Finance leases

The following pro forma amounts represent the acquisition cost, accumulated depreciation and net book value of leased property as of March 31, 2008, which would have been reflected in the consolidated balance sheets if the finance lease accounting had been applied to the finance lease transactions currently accounted for as operating leases:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery and equipment</td>
<td>¥347</td>
<td>¥233</td>
</tr>
<tr>
<td>Tools, furniture and fixtures</td>
<td>737</td>
<td>410</td>
</tr>
<tr>
<td></td>
<td>¥1,084</td>
<td>¥643</td>
</tr>
</tbody>
</table>

(1) Future minimum lease payments (including the interest portion thereon) subsequent to March 31, 2008 for finance lease transactions accounted for as operating leases are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due within one year</td>
<td>¥144</td>
</tr>
<tr>
<td>Due after one year</td>
<td>297</td>
</tr>
</tbody>
</table>

(2) Lease payments for the year ended March 31, 2008, are ¥189 millions ($1,886 thousands).

(B) Operating leases

Future minimum lease payments subsequent to March 31, 2008 for noncancelable operating leases are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due within one year</td>
<td>¥215</td>
</tr>
<tr>
<td>Due after one year</td>
<td>303</td>
</tr>
<tr>
<td></td>
<td>¥518</td>
</tr>
</tbody>
</table>
The year ended in March 31, 2009

(A) Finance Lease as a lessee

Finance Lease transactions, except for those which meet the conditions that the ownership of the leased assets was transferred to the lessee

1-1. The content of Lease assets: tangible assets (tools, furnitures and fixture)

1-2. Depreciation method of lease assets:

According to the "Accounting Standards for Lease Transactions" and "Implementation Guidance for Accounting Standards for Lease Transactions", which have been adopted from the consolidated fiscal year beginning April 1, 2008, depreciation of assets under finance leases which do not transfer ownership of the leased assets to the lessee are calculated by the straight-line method over the lease period with no residual value.

(B) Operating Lease

Future minimum lease payments for noncancelable operating leases are summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>Due within one year</td>
<td>¥215</td>
<td>$2,189</td>
</tr>
<tr>
<td>Due after one year</td>
<td>255</td>
<td>2,596</td>
</tr>
<tr>
<td>Total</td>
<td>¥470</td>
<td>$4,785</td>
</tr>
</tbody>
</table>

(C) Finance Lease as a lessor

1. Details of investment lease

1-1) Investment lease - current assets

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>Lease revenues receivable</td>
<td>¥221</td>
<td>$2,250</td>
</tr>
<tr>
<td>Interests receivable</td>
<td>(21)</td>
<td>(214)</td>
</tr>
<tr>
<td>Total</td>
<td>¥200</td>
<td>$2,036</td>
</tr>
</tbody>
</table>

1-2) Investment lease - others

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>Lease revenues receivable</td>
<td>¥261</td>
<td>$2,657</td>
</tr>
<tr>
<td>Interests receivable</td>
<td>(25)</td>
<td>(255)</td>
</tr>
<tr>
<td>Total</td>
<td>¥236</td>
<td>$2,402</td>
</tr>
</tbody>
</table>

(D) Operating Lease

Future minimum lease payments for noncancelable operating leases are summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>Due within one year</td>
<td>¥337</td>
<td>$3,431</td>
</tr>
<tr>
<td>Due after one year</td>
<td>277</td>
<td>2,820</td>
</tr>
<tr>
<td>Total</td>
<td>¥614</td>
<td>$6,251</td>
</tr>
</tbody>
</table>

(E) Other related information

Future minimum lease payments for noncancelable operating leases are summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2009</td>
</tr>
<tr>
<td>Lease revenues receivable</td>
<td>638</td>
<td>6,495</td>
</tr>
<tr>
<td>Current assets</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Others</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>¥1,545</td>
<td>$15,728</td>
</tr>
</tbody>
</table>

11. Securities

(1) Information regarding marketable Other Securities as of March 31, 2009 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
<td>2008</td>
</tr>
<tr>
<td></td>
<td>Acquisition cost</td>
<td>Carrying value</td>
</tr>
<tr>
<td>Securities whose carrying value exceeds their acquisition cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>¥855</td>
<td>$1,404</td>
</tr>
</tbody>
</table>

(2) The proceeds from sales of securities, except those of the affiliated companies, for the years ended March 31, 2009 and 2008 were ¥19 millions ($193 thousands) and ¥5 millions, respectively. The realized gains on those sales for the years ended March 31, 2009 and 2008 were ¥6 millions ($61 thousands) and ¥4 millions, respectively.

(3) Information regarding non-marketable securities as of March 31, 2009 and 2008 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other securities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unlisted stocks</td>
<td>¥1,550</td>
<td>$1,907</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>¥1,550</td>
<td>$1,907</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Thousands of U.S.dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
</tr>
<tr>
<td>Other securities</td>
<td></td>
</tr>
<tr>
<td>Unlisted stocks</td>
<td>$15,779</td>
</tr>
<tr>
<td>Others</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>$15,779</td>
</tr>
</tbody>
</table>
12. Derivative Financial Instruments

Fair value information of the derivative financial instruments at March 31, 2009 and 2008 is summarized below according to the disclosure requirements applicable to the respective year:

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract amount</td>
<td>Fair value</td>
</tr>
<tr>
<td>Forward exchange contracts:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sell Euros and others</td>
<td>¥2,046</td>
<td>¥2,186</td>
</tr>
</tbody>
</table>

Forward exchange contracts:

Sell Euros and others $20,829 $22,254 $(1,425)

Above forward exchange contracts are taken by the Company to hedge the foreign currency risk on inter-company transactions. They meet the criteria for deferral hedge accounting, and holding gains or losses of these financial instruments are deferred in the Non-Consolidated Financial Statements of the Company.

13. Segment Information

(A) Business Segment for the year ended in March 31, 2008

The Companies operated in three business segments in the fiscal year 2007.

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
</tr>
<tr>
<td>Net Sales</td>
<td></td>
</tr>
<tr>
<td>Retail Information Systems</td>
<td>¥189,877</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>2,444</td>
</tr>
<tr>
<td>Total</td>
<td>192,321</td>
</tr>
<tr>
<td>Document Processing &amp; Telecommunication Systems</td>
<td>300,511</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>6,448</td>
</tr>
<tr>
<td>Intersegment</td>
<td>306,959</td>
</tr>
<tr>
<td>Home Electric Appliances &amp; Others</td>
<td>2,582</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>313</td>
</tr>
<tr>
<td>Intersegment</td>
<td>2,895</td>
</tr>
<tr>
<td>Total</td>
<td>(9,205)</td>
</tr>
<tr>
<td>Eliminations</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>¥492,970</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
</tr>
<tr>
<td>Retail Information Systems</td>
<td>¥181,990</td>
</tr>
<tr>
<td>Document Processing &amp; Telecommunication Systems</td>
<td>291,238</td>
</tr>
<tr>
<td>Home Electric Appliances &amp; Others</td>
<td>2,873</td>
</tr>
<tr>
<td>Total</td>
<td>(9,205)</td>
</tr>
<tr>
<td>Consolidated</td>
<td>¥466,895</td>
</tr>
<tr>
<td>Operating Income</td>
<td></td>
</tr>
<tr>
<td>Retail Information Systems</td>
<td>¥10,331</td>
</tr>
<tr>
<td>Document Processing &amp; Telecommunication Systems</td>
<td>15,721</td>
</tr>
<tr>
<td>Home Electric Appliances &amp; Others</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>¥26,075</td>
</tr>
<tr>
<td>Identifiable Assets</td>
<td></td>
</tr>
<tr>
<td>Retail Information Systems</td>
<td>¥77,315</td>
</tr>
<tr>
<td>Document Processing &amp; Telecommunication Systems</td>
<td>201,002</td>
</tr>
<tr>
<td>Home Electric Appliances &amp; Others</td>
<td>400</td>
</tr>
<tr>
<td>Corporate and Eliminations</td>
<td>35,183</td>
</tr>
<tr>
<td>Consolidated</td>
<td>¥313,900</td>
</tr>
</tbody>
</table>

(B) Business Segment for the year ended in March 31, 2009

The Companies operate in three business segments in the fiscal year 2008.

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>Thousands of U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of yen</td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>$166,738</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>3,770</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>170,508</td>
<td></td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>216,037</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>9,671</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>225,708</td>
<td></td>
</tr>
<tr>
<td>Auto-ID and Printer Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>39,826</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>4,358</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>44,184</td>
<td></td>
</tr>
<tr>
<td>Eliminations</td>
<td>(17,800)</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>$422,601</td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>$163,867</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>4,335</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>170,202</td>
<td></td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>223,644</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>45,276</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>268,920</td>
<td></td>
</tr>
<tr>
<td>Auto-ID and Printer Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>42,357</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>44,365</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>86,722</td>
<td></td>
</tr>
<tr>
<td>Eliminations</td>
<td>(17,800)</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>$412,478</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>$6,642</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>1,417</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8,059</td>
<td></td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>2,064</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>25,845</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27,910</td>
<td></td>
</tr>
<tr>
<td>Auto-ID and Printer Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>42,357</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>44,365</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>86,722</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>$65,762</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>15,206</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>80,968</td>
<td></td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>147,591</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>1,502,504</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,650,095</td>
<td></td>
</tr>
<tr>
<td>Auto-ID and Printer Business Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate and Eliminations</td>
<td>433,004</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>$2,868,085</td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td>$3,150</td>
<td></td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td>13,015</td>
<td></td>
</tr>
<tr>
<td>Auto-ID and Printer Business Group</td>
<td>808</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>$16,974</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$172,799</td>
<td></td>
</tr>
</tbody>
</table>
The business segment has been changed from the fiscal year 2008.

Corporate assets at March 31, 2009 and 2008, are ¥43,422 millions ($442,043 thousands) and ¥35,723 millions, respectively. The business segment has been changed from the fiscal year 2008.

(C) Geographic Segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>¥313,900</td>
<td>¥232,706</td>
<td>¥35,723</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>¥215,419</td>
<td>¥234,845</td>
<td>¥2,193,006</td>
</tr>
<tr>
<td>Intersegment</td>
<td>70,266</td>
<td>55,554</td>
<td>715,321</td>
</tr>
<tr>
<td>Total</td>
<td>285,685</td>
<td>320,399</td>
<td>2,908,327</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>American States</td>
<td>¥492,970</td>
<td>¥492,970</td>
<td>¥492,970</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>¥81,065</td>
<td>100,847</td>
<td>825,257</td>
</tr>
<tr>
<td>Intersegment</td>
<td>1,855</td>
<td>1,679</td>
<td>18,884</td>
</tr>
<tr>
<td>Total</td>
<td>82,920</td>
<td>102,526</td>
<td>844,141</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>¥124,572</td>
<td>¥124,572</td>
<td>¥124,572</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>91,388</td>
<td>115,458</td>
<td>930,347</td>
</tr>
<tr>
<td>Intersegment</td>
<td>2,398</td>
<td>6,154</td>
<td>24,412</td>
</tr>
<tr>
<td>Total</td>
<td>93,786</td>
<td>121,612</td>
<td>954,759</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia and others</td>
<td>¥320,399</td>
<td>¥320,399</td>
<td>¥320,399</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>34,730</td>
<td>41,820</td>
<td>353,558</td>
</tr>
<tr>
<td>Intersegment</td>
<td>52,268</td>
<td>64,933</td>
<td>532,098</td>
</tr>
<tr>
<td>Total</td>
<td>86,998</td>
<td>106,753</td>
<td>885,656</td>
</tr>
</tbody>
</table>

| Eliminations             | (126,788)   | (158,320)   | (1,290,726) |
| Consolidated             | ¥412,478    | ¥466,895    | ¥4,302,158  |

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>¥412,478</td>
<td>¥466,895</td>
<td>¥4,302,158</td>
</tr>
<tr>
<td>Japan</td>
<td>¥282,392</td>
<td>¥311,415</td>
<td>¥2,874,804</td>
</tr>
<tr>
<td>American States</td>
<td>83,475</td>
<td>97,714</td>
<td>849,791</td>
</tr>
<tr>
<td>Europe</td>
<td>93,558</td>
<td>115,864</td>
<td>952,438</td>
</tr>
<tr>
<td>Asia and others</td>
<td>82,736</td>
<td>98,714</td>
<td>842,268</td>
</tr>
</tbody>
</table>

| Eliminations             | (129,684)   | (156,812)   | (1,320,208) |
| Consolidated             | ¥412,478    | ¥466,895    | ¥4,302,158  |

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>¥3,907</td>
<td>¥33,585</td>
<td>¥2,076,127</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>America States</td>
<td>26,889</td>
<td>35,858</td>
<td>273,735</td>
</tr>
<tr>
<td>Europe</td>
<td>47,941</td>
<td>60,064</td>
<td>488,048</td>
</tr>
<tr>
<td>Asia and others</td>
<td>37,321</td>
<td>42,867</td>
<td>379,935</td>
</tr>
</tbody>
</table>

| Eliminations             | (34,556)    | (55,322)    | (349,751)   |
| Consolidated             | ¥281,732    | ¥313,900    | ¥2,868,085  |

Identifiable Assets

<table>
<thead>
<tr>
<th>Segment</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>¥203,938</td>
<td>¥232,706</td>
<td>¥2,076,127</td>
</tr>
<tr>
<td>American States</td>
<td>26,889</td>
<td>35,858</td>
<td>273,735</td>
</tr>
<tr>
<td>Europe</td>
<td>47,941</td>
<td>60,064</td>
<td>488,048</td>
</tr>
<tr>
<td>Asia and others</td>
<td>37,321</td>
<td>42,867</td>
<td>379,935</td>
</tr>
</tbody>
</table>

| Corporate and Eliminations | (34,556)    | (55,322)    | (349,751)   |
| Consolidated              | ¥281,732    | ¥313,900    | ¥2,868,085  |

(Note) Corporate assets mainly consist of cash, time deposits, securities and investments with financial institutions of the Company. Corporate assets at March 31, 2009 and 2008, are ¥43,422 millions ($442,043 thousands) and ¥35,723 millions, respectively.

(C) Net Sales by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>¥190,828</td>
<td>¥203,070</td>
<td>¥1,942,665</td>
</tr>
<tr>
<td>American States</td>
<td>97,425</td>
<td>125,085</td>
<td>991,805</td>
</tr>
<tr>
<td>Europe</td>
<td>98,802</td>
<td>124,572</td>
<td>1,005,823</td>
</tr>
<tr>
<td>Asia and others</td>
<td>35,546</td>
<td>40,243</td>
<td>361,865</td>
</tr>
</tbody>
</table>

| Net sales           | ¥422,601    | ¥492,970    | ¥4,302,158  |

(Note) Net sales by region are determined based upon the locations of the customers. Therefore, this information is different from the net sales for geographic segments, which are determined based upon where the sales originated.

14. Business Combination

Under the resolution of the board of directors' meeting held on December 25, 2006, the business transfer of Home Electric Appliances business was carried out on June 1, 2007.

(1) Background

The Home Electric Appliances business was transferred to TOSHIBA HA PRODUCTS Co., Ltd., a subsidiary of TOSHIBA CONSUMER MARKETING CORPORATION to unify development, manufacturing and sales of the home electric appliances business for more efficient business operations in the TOSHIBA group.

This enabled us to strengthen our operation, concentrating in Retail Information Systems business and Document Systems and Telecommunications business.

(2) Business Segment Affected

Home Electric Appliances business is included in the business segment "Home Electric Appliances & Others".

(3) Transferred Business

1. The business concerned

Development and manufacturing of home electric appliances such as cleaners, food preparation devices, small motors, etc.

2. Scale of the operation

for the year ending March, 2007

<table>
<thead>
<tr>
<th>Segment</th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated sales</td>
<td>¥13,559</td>
</tr>
<tr>
<td>Consolidated operating income</td>
<td>¥308</td>
</tr>
</tbody>
</table>

(4) Consideration and Gain

The Home Electric Appliances business was sold for ¥1,886 million with the related gain on sales of ¥225 million.

The related assets and liabilities decreased by the transfer and proceeds from the transfer are summarized as follows.

<table>
<thead>
<tr>
<th>Segment</th>
<th>Millions of yen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>¥2,021</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>1,701</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>2,061</td>
</tr>
<tr>
<td>Assets and liabilities decreased by the transfer</td>
<td>1,661</td>
</tr>
<tr>
<td>Gain from the transfer</td>
<td>225</td>
</tr>
<tr>
<td>Transfer value</td>
<td>1,886</td>
</tr>
</tbody>
</table>
15. Stock Option Plan

The year ended March 31, 2008
Not applicable

The year ended March 31, 2009
1. The amount and the accounting subject in relation to the stock option in the fiscal year 2008 Selling, General and Administrative Expenses: ¥46 million ($468 thousand).

2. The size of stock option and its circumstances

1) General information

<table>
<thead>
<tr>
<th>Qualified beneficiaries</th>
<th>The first new share subscription right as share-reward type stock option</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 of the Company directors and corporate officers</td>
<td>83,000 shares of Common stock</td>
</tr>
<tr>
<td>Date of issuance</td>
<td>August 1, 2008</td>
</tr>
<tr>
<td>Date of issuance</td>
<td>August 1, 2008</td>
</tr>
</tbody>
</table>

(Note) 1. The amount is converted into the number of shares.
2. Subscription rights may be exercised in a lump sum within expiration cycle and 10 days after a beneficiary resigns from directors or corporate officers.

2) The size of stock option and its circumstances

Addressed is the amount of stock option existed in the fiscal year 2008.
As for the number of stock option, it is converted into the number of shares.

2-1. The number of stock option

<table>
<thead>
<tr>
<th>Before the resolution</th>
<th>The first new share subscription right as share-reward type stock option</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 31, 2008</td>
<td></td>
</tr>
<tr>
<td>Offered</td>
<td>83,000</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
<tr>
<td>Vested</td>
<td></td>
</tr>
<tr>
<td>Outstanding</td>
<td>83,000</td>
</tr>
</tbody>
</table>

2-2. Per share data

| Exercised price       | $1 ($0.01) |
| The average price at the time of exercising | $560 ($5.70) |

3. The evaluation of fair price of stock option

1) The evaluation method used: Black–Scholes method
2) General information and the method of estimation

4. The method of estimating the number of stock option vested

Fundamentally, only the actual number of cancelled is shown as it is difficult to estimate possible number of cancelled.

16. Acquisition of investments in newly consolidated subsidiaries

In the fiscal year 2007, the Company consolidated AI SOLUTIONS CORPORATION by the acquisition of investments.
The related assets and liabilities at the date of acquisition of AI SOLUTIONS CORPORATION, the acquisition cost of investments of AI SOLUTIONS CORPORATION and the net expenses for the acquisition are summarized as follows.

| Current assets | ¥414 |
| Fixed assets   | 384  |
| Current liabilities | 24   |
| Long-term liabilities | 191  |
| Acquisition cost of investments of AI SOLUTIONS CORPORATION | 583  |
| Cash and Cash equivalents of AI SOLUTIONS CORPORATION | 50  |
| Expenses for the Acquisition of AI SOLUTIONS CORPORATION | 533  |

In the fiscal year 2008, one of the subsidiaries of TABS, Toshiba America Business Solutions, has acquired business.
The related assets and liabilities in relation to the acquisition of business are summarised as follows:

| Current assets | $283 |
| Fixed assets   | 988  |
| Current liabilities | 132  |
| Long-term liabilities | 0    |
| Acquisition cost of business transfer | 1,139 |
| Cash and Cash equivalents | 7  |
| Expenses for the business acquisition | 1,132 |

* There is no additional acquisition or consolidation in the fiscal year 2008.
17. Transactions with Related Parties

(A) Transactions with Fellow Subsidiaries for the year ended March 31, 2008.

<table>
<thead>
<tr>
<th>Status</th>
<th>Name</th>
<th>Address</th>
<th>Capital (Millions of yen)</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiary of the parent company</td>
<td>Toshiba Solutions Corporation</td>
<td>Minato-ku, Tokyo</td>
<td>¥20,000</td>
<td>Development, designing, manufacturing, sales and maintenance of computer systems and communication systems, etc.</td>
</tr>
</tbody>
</table>

*1 Concerning Deposits of funds, it’s difficult to figure out Transaction Amounts because fund settlement is performed whenever needed. Therefore, only Balance at Fiscal Year End is stated.

Policy for determining trade terms and other related matters

Depositing funds are determined from market rates and offers from third party interests rates.

(B) Transactions with Fellow Subsidiaries for the year ended March 31, 2009.

<table>
<thead>
<tr>
<th>Status</th>
<th>Name</th>
<th>Address</th>
<th>Capital (Millions of yen)</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiary of the parent company</td>
<td>Toshiba Solutions Corporation</td>
<td>Minato-ku, Tokyo</td>
<td>¥23,500 ($239,234)</td>
<td>Development, designing, manufacturing, sales and maintenance of computer systems and communication systems, etc.</td>
</tr>
</tbody>
</table>

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

Policy for determining trade terms and other related matters

As in the case of general trade terms, sales of products are determined from market prices and overall costs.

<table>
<thead>
<tr>
<th>Status</th>
<th>Name</th>
<th>Address</th>
<th>Capital (Millions of yen)</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiary of the parent company</td>
<td>Toshiba Capital Corporation</td>
<td>Minato-ku, Tokyo</td>
<td>¥100 ($1,018)</td>
<td>Financing of TOSHIBA Group domestic companies</td>
</tr>
</tbody>
</table>

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

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Policy for determining trade terms and other related matters

Depositing funds are determined from market rates and offers from third party interests rates.

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

Policy for determining trade terms and other related matters

Depositing funds are determined from market rates and offers from third party interests rates.

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.

Policy for determining trade terms and other related matters

As in the case of general trade terms, sales of products are determined from market prices and overall costs.

With regard to the amounts above, Transaction Amounts include consumption taxes and Balance at Fiscal Year End doesn't include them.
18. Cash Dividends

(A) Cash dividends for the year ended March 31, 2008

<table>
<thead>
<tr>
<th>Type of shares</th>
<th>Total amount of dividends (Millions of yen)</th>
<th>Dividends per share (yen)</th>
<th>Record date</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>1,666</td>
<td>6</td>
<td>March 31, 2007</td>
<td>June 7, 2007</td>
</tr>
</tbody>
</table>

(B) Year end dividends of the following fiscal year

<table>
<thead>
<tr>
<th>Type of shares</th>
<th>Total amount of dividends (Millions of yen)</th>
<th>Dividends per share (yen)</th>
<th>Record date</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>1,804</td>
<td>8.5</td>
<td>March 31, 2008</td>
<td>June 2, 2008</td>
</tr>
</tbody>
</table>

(B) Cash dividends for the year ended March 31, 2009

(1) Cash dividends paid

<table>
<thead>
<tr>
<th>Type of shares</th>
<th>Total amount of dividends (Millions of yen)</th>
<th>Dividends per share (yen)</th>
<th>Record date</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock</td>
<td>1,804</td>
<td>6.5</td>
<td>March 31, 2008</td>
<td>June 2, 2008</td>
</tr>
</tbody>
</table>

(B) Change in Business Segment

Effective April 1, 2008, the Company changed its business segment. Corresponding to the changes in the business circumstances, the Company shifted from entity-based segmentation to business-line segmentation, aiming at more flexible business operation. The Company aims to expand business more with this opportunity.

New Business groups and main products are as follows.

(1) Retail Solution Business Group
POS systems, Cash register, Scales, etc.

(2) Document Systems Business Group
MFPs, Facsimiles, Inkjet heads, etc.

(3) Auto-ID & Printer Business Group
Bar-code systems, RFID systems, Printers, Specialized terminals, etc.
The business segment information for the year ended March 31, 2008, under the new business segmentation is as follows.

<table>
<thead>
<tr>
<th>Segment</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td></td>
</tr>
<tr>
<td>Retail Solution Business Group</td>
<td>¥180,285</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>¥180,285</td>
</tr>
<tr>
<td>Intersegment</td>
<td>2,827</td>
</tr>
<tr>
<td>Total</td>
<td>183,112</td>
</tr>
<tr>
<td>Document Systems Business Group</td>
<td>264,154</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>264,154</td>
</tr>
<tr>
<td>Intersegment</td>
<td>6,378</td>
</tr>
<tr>
<td>Total</td>
<td>270,532</td>
</tr>
<tr>
<td>Auto ID &amp; Printer Business Group</td>
<td>45,949</td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>45,949</td>
</tr>
<tr>
<td>Intersegment</td>
<td>3,365</td>
</tr>
<tr>
<td>Total</td>
<td>49,314</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Unaffiliated customers</td>
<td>2,582</td>
</tr>
<tr>
<td>Intersegment</td>
<td>313</td>
</tr>
<tr>
<td>Total</td>
<td>2,895</td>
</tr>
<tr>
<td>Eliminations</td>
<td>(12,883)</td>
</tr>
<tr>
<td>Consolidated</td>
<td>¥492,970</td>
</tr>
</tbody>
</table>

| **Operating Expenses**         |                             |
| Retail Solution Business Group | ¥173,160                    |
| Document Systems Business Group| 260,065                     |
| Auto ID & Printer Business Group| 43,681                      |
| Other                          |                             |
| Eliminations                   | (12,883)                    |
| Consolidated                   | ¥466,896                    |

| **Operating Income**           |                             |
| Retail Solution Business Group | ¥9,952                      |
| Document Systems Business Group| 10,467                      |
| Auto ID & Printer Business Group| 5,633                       |
| Other                          |                             |
| Consolidated                   | ¥26,075                     |

| **Identifiable Assets**        |                             |
| Retail Solution Business Group | ¥71,618                     |
| Document Systems Business Group| 177,440                     |
| Auto ID & Printer Business Group| 29,259                      |
| Other                          |                             |
| Consolidated                   | ¥313,900                    |

| **Depreciation and Amortization** |                             |
| Retail Solution Business Group  | ¥2,743                      |
| Document Systems Business Group  | 10,308                      |
| Auto ID & Printer Business Group | 698                         |
| Other                           | 72                         |
| Consolidated                    | ¥13,821                     |

| **Capital Expenditures**       |                             |
| Retail Solution Business Group | ¥2,894                      |
| Document Systems Business Group| 11,404                      |
| Auto ID & Printer Business Group| 771                         |
| Other                           | 37                         |
| Consolidated                    | ¥15,106                     |
Report of Independent Auditors

The Board of Directors
TOSHIBA TEC CORPORATION

We have audited the accompanying consolidated balance sheets of TOSHIBA TEC CORPORATION and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of TOSHIBA TEC CORPORATION and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 2 to the consolidated financial statements, the Company has adopted the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1.

June 25, 2009

Ernst & Young ShinNihon LLC
TOSHIBA TEC CORPORATION

Corporate Data
2-17-2 Higashi Gotanda, Shinagawa-ku, Tokyo 141-8664 Japan
Tel: +81-3-6422-7000
Fax: +81-3-6422-7111
http://www.toshibatec.co.jp/
Established: February 21, 1950
Employees: 3,439 <Consolidated: 19,851> (as of March 2009)
Common Stock: ¥39,971 million (as of March 2009)
Stock Listing: Tokyo Stock Exchange (1st Section)

Board of Directors and Corporate Auditors
President and Chief Executive Officer (as of June 25, 2009)
◊Mamoru Suzuki
Directors
◊Yoshiyasu Kikuchi
Kazuaki Ushiyama
Keiichi Miura
Teruhiko Ukita
Toshio Yonezawa
Masahiko Fukakushi
◊:Representative Director
Corporate Auditors
Takao Saito
Satoshi Yamato
Hideaki Hori
Hideo Tsushima

Main Consolidated Companies (as of March 31, 2009)
• TOSHIBA AMERICA BUSINESS SOLUTIONS, INC.
• TOSHIBA TEC GERMANY IMAGING SYSTEMS GmbH
• TOSHIBA TEC FRANCE IMAGING SYSTEMS S.A.
• TEC ENGINEERING CORPORATION
• TOSHIBA TEC BUSINESS SOLUTIONS CORPORATION
• TOSHIBA TEC EUROPE RETAIL INFORMATION SYSTEMS S.A.
• TOSHIBA TEC U.K. IMAGING SYSTEMS LTD.
• TOSHIBA TEC NORDIC AB
• TER CO., LTD.
• TEC APPLIANCE CO., LTD.
• TOSHIBA TEC AMERICA RETAIL INFORMATION SYSTEMS, INC.
• TOSHIBA TEC INFORMATION SYSTEMS (SHENZHEN) CO., LTD.
• TOSHIBA TEC SINGAPORE PTE LTD
• P.T. TEC INDONESIA
• TEC INFORMATION SYSTEMS CORPORATION
• TIM ELECTRONICS SDN. BHD.
• TOSHIBA TEC EUROPE IMAGING SYSTEMS S.A.
• TEC PRECISION CO., LTD.
• TOSEI ELECTRIC CORPORATION
• TOSHIBA TEC (H.K.) LOGISTICS & PROCUREMENT LTD.