

Consolidated Financial Results

for the First Half of Fiscal 2002 ending March 2003

Yamatake Corporation

- Securities Code No. 6845
- The Company's shares are listed on the First Section of the Tokyo Stock Exchange
- Any inquiry relating to these statements should be made to:

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1. Performance for the half year (from April 1, 2002 to September 30, 2002)

- Prepared in accordance with the Japanese financial accounting standards.
- Amounts under one million yen have been rounded down.
- Numbers in parentheses indicate percentage of increase/decrease over the previous corresponding term.

(1) Results

(Millions of yen & % of inc./dec.)

	Sales	Operating income	Net income
First Half of Fiscal 2002	73,266 : (6.5%)	(1,416) : ---	(2,862) : ---
First Half of Fiscal 2001	78,341 : 0.4%	512 : (74.8%)	88 : ---
Fiscal 2001	167,163 : (6.1%)	4,527 : (61.3%)	2,121 : ---

	Net income per Share (Yen)
First Half of Fiscal 2002	(35.81)
First Half of Fiscal 2001	1.04
Fiscal 2001	25.09

Notes: Weight average number of shares outstanding:
 First half of Fiscal 2002: 79,937 thousand shares
 First half of Fiscal 2001: 84,565 thousand shares
 Fiscal 2001: 84,564 thousand shares

(2) Dividends per Share

	Interim Dividends per Share (Yen)	Annual Dividends per Share (Yen)
First Half of Fiscal 2002	6.00	---
First Half of Fiscal 2001	6.00	---
Fiscal 2001	---	12.00

(3) Financial Position

(Millions of yen, except for per share figures)

	Total Assets (A)	Shareholders' Equity (B)	(B)/(A) (%)	Shareholders' Equity per Share (Yen)
As of September 30,2002	161,879	84,703	52.3%	1,151.31
As of September 30,2001	173,645	97,776	56.3%	1,156.22
As of March 31,2002	180,958	98,885	54.6%	1,169.39

(4) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
First Half of Fiscal 2002	2,959	(776)	(11,204)	27,873
First Half of Fiscal 2001	5,602	(380)	(1,711)	37,199
Fiscal 2001	8,394	(3,503)	(2,233)	36,382

(5) Business Segment Information**First Half of Fiscal 2002 (April 1,2002 to September 30, 2002)**

(Millions of yen)

	BA	IA	CP	Others	Total	Elimination	Consolidation
Sales							
i . Customers	31,861	23,958	12,107	5,339	73,266	---	73,266
ii. Inter-segment	281	595	883	351	2,112	(2,112)	---
Total	32,142	24,554	12,990	5,691	75,378	(2,112)	73,266
Operating cost and expenses	31,531	24,953	13,995	6,340	76,821	(2,138)	74,682
Operating income	611	(398)	(1,005)	(649)	(1,442)	26	(1,416)

Notes: BA/Building Automation Business, IA/Industrial Automation Business, CP/Control Products Business

First Half of Fiscal 2001 (April 1,2001 to September 30, 2001)

(Millions of yen)

	BA	IA	CP	Others	Total	Elimination	Consolidation
Sales							
i . Customers	36,868	23,763	12,445	5,264	78,341	---	78,341
ii. Inter-segment	264	690	1,115	328	2,398	(2,398)	---
Total	37,132	24,453	13,560	5,593	80,740	(2,398)	78,341
Operating cost and expenses	34,801	25,015	14,231	6,153	80,202	(2,372)	77,829
Operating income	2,330	(561)	(670)	(559)	538	(26)	512

Fiscal 2001 (April 1,2001 to March 31, 2002)

(Millions of yen)

	BA	IA	CP	Others	Total	Elimination	Consolidation
Sales							
i . Customers	80,890	51,161	24,604	10,507	167,163	---	167,163
ii. Inter-segment	630	1,581	1,822	724	4,760	(4,760)	---
Total	81,521	52,743	26,427	11,231	171,923	(4,760)	167,163
Operating cost and expenses	73,963	52,988	28,060	12,375	167,389	(4,752)	162,636
Operating income	7,557	(245)	(1,633)	(1,144)	4,534	(7)	4,527

2. Forecast for Fiscal 2002 (April 1, 2002 to March 31, 2003)

(Millions of yen)

Fiscal 2002	Sales	Operating income	Net income
Consolidated	170,000	3,000	200
B A	81,600	5,400	
I A	53,700	0	
C P	27,800	(1,300)	
Others	12,400	(1,100)	
Elimination	(5,500)	---	

※ Statements made in this document with regards to Yamatake's plans, targets and strategies and other statements without historical facts are forward-looking statements about the future performance of Yamatake Corporation.

These projections are based on management's assumptions, intent and expectations in light of the information currently available to it, and therefore these statements are not guarantees of future performance.

Due to various factors, actual results may differ from those discussed in this document. Such factors include, but are not limited to: (i) general economic conditions in Yamatake's markets, particularly levels of capital investments; (ii) exchange rates, particularly between the Japanese yen and US dollar and other currencies in which Yamatake makes significant sales or Yamatake's assets and liabilities are denominated; (iii) continued acceptance of Yamatake's products and services which are offered in highly competitive markets characterized by rapid development of new technologies and the advancement of the global economy.

Consolidated Balance Sheets

(Millions of yen)

ASSETS							
	(A) As of Sep. 30, 2001		(B) As of Sep. 30, 2002		Difference (B)-(A)	As of Mar. 31, 2002	
Current assets	124,006	71.4	111,681	69.0	(12,325)	129,623	71.6
Cash	36,731		26,805		(9,925)	33,048	
Notes and accounts receivable	59,969		53,200		(6,769)	68,040	
Inventories	21,727		23,534		1,807	19,960	
Prepaid expenses and other current assets	5,910		8,341		2,430	8,941	
Allowance for doubtful receivable	(332)		(200)		131	(367)	
Fixed assets	49,638	28.6	50,197	31.0	559	51,334	28.4
Property, plant and equipment	18,501	10.6	17,294	10.7	(1,206)	17,766	9.8
Intangible fixed assets	1,479	0.9	1,573	1.0	93	1,453	0.8
Investment and other assets	29,658	17.1	31,330	19.3	1,672	32,114	17.8
Investment securities	11,155		10,646		(508)	12,383	
Deferred tax assets	11,012		13,306		2,294	12,271	
Other assets	7,735		7,715		(19)	7,780	
Allowance for doubtful receivable	(244)		(338)		(93)	(321)	
Total	173,645	100.0	161,879	100.0	(11,766)	180,958	100.0

(Millions of yen)

LIABILITIES AND SHAREHOLDERS' EQUITY							
	(A) As of Sep. 30, 2001		(B) As of Sep. 30, 2002		Difference (B)-(A)	As of Mar. 31, 2002	
Current liabilities	48,458	27.9	46,986	29.0	(1,472)	52,412	29.0
Notes and accounts payable	25,761		23,613		(2,148)	27,924	
Short-term borrowings	3,338		2,045		(1,292)	1,760	
Advance payments	4,777		7,545		2,767	5,274	
Accrued bonuses	5,416		5,400		(16)	6,208	
Other current liabilities	9,164		8,381		(783)	11,244	
Long-term liabilities	27,086	15.6	29,826	18.5	2,740	29,300	16.2
Long-term debt	5,005		6,358		1,352	6,574	
Liability for employees' retirement benefits	21,190		22,751		1,561	21,769	
Liability for retirement benefits for directors and corporate auditors	813		650		(163)	867	
Other long term liabilities	76		67		(9)	89	
Total liabilities	75,545	43.5	76,813	47.5	1,268	81,712	45.2
Minority interests	324	0.2	362	0.2	37	360	0.2
Common stock	10,522	6.0	10,522	6.5	-	10,522	5.8
Additional paid-in capital	6,791	3.9	6,791	4.2	-	6,791	3.7
Retained earnings	80,194	46.2	77,425	47.8	(2,768)	81,720	45.2
Unrealized gain on available-for-sale securities	328	0.2	636	0.4	307	(105)	(0.1)
Foreign currency translation adjustments	(60)	(0.0)	(18)	(0.0)	41	(39)	(0.0)
Treasury stock	(0)	(0.0)	(10,653)	(6.6)	(10,652)	(4)	(0.0)
Total shareholders' equity	97,776	56.3	84,703	52.3	(13,072)	98,885	54.6
Total	173,645	100.0	161,879	100.0	(11,766)	180,958	100.0

Consolidated Statements of Operations

(Millions of yen)

	(A) Apr. 1, 2001 to Sep. 30, 2001		(B) Apr. 1, 2002 to Sep. 30, 2002		Difference (B)-(A)	Apr. 1, 2001 to Mar. 31, 2002	
Net sales	78,341	100.0	73,266	100.0	(5,075)	167,163	100.0
Cost of sales	49,328	63.0	44,703	61.0	(4,624)	104,723	62.6
Gross profit	29,013	37.0	28,562	39.0	(451)	62,440	37.4
Selling, general and administrative expenses	28,501	36.3	29,978	40.9	1,477	57,913	34.7
Operating income	512	0.7	(1,416)	(1.9)	(1,928)	4,527	2.7
Non-operating income	246	0.3	254	0.4	7	516	0.3
Interest income	30		25		(5)	49	
Dividend income	71		86		14	96	
Exchange gain	-		-		-	129	
Others	145		143		(1)	240	
Non-operating expenses	217	0.3	483	0.7	265	351	0.2
Interest expense	86		93		6	205	
Exchange loss	53		156		102	-	
Others	78		233		155	145	
Recurring profit	541	0.7	(1,644)	(2.2)	(2,185)	4,691	2.8
Extraordinary profit	492	0.7	116	0.2	(376)	498	0.3
Reversal of allowance for doubtful notes and receivable	-		114		114	-	
Gain on sales of investment securities	139		0		(139)	140	
Gain on sales of property, plant and equipment	353		1		(351)	357	
Extraordinary loss	527	0.7	2,235	3.1	1,707	844	0.5
Loss on sales or disposals of property, plant and equipment	60		235		175	171	
Loss on impairment of investment securities	428		1,329		900	596	
Provision for allowance for golf seats	38		-		(38)	54	
Amortization of excess of acquired net equity over cost	-		670		670	-	
Others	-		-		-	22	
Income before income taxes and minority interest	506	0.7	(3,764)	(5.1)	(4,270)	4,345	2.6
Income taxes - current	1,032	1.3	644	0.9	(388)	4,231	2.5
Income taxes - deferred	(622)	(0.7)	(1,546)	(2.1)	(924)	(2,038)	(1.2)
Minority interests in net income	7	0.0	0	0.0	(6)	30	0.0
Net income	88	0.1	(2,862)	(3.9)	(2,950)	2,121	1.3

Consolidated Statements of Shareholders' Equity

(Millions of yen)

	(A) Apr. 1, 2001 to Sep. 30, 2001	(B) Apr. 1, 2002 to Sep. 30, 2002	Difference (B)-(A)	Apr. 1, 2001 to Mar. 31, 2002
Capital surplus				
Balance - at beginning of period	6,791	6,791	-	6,791
Balance - at end of period	6,791	6,791	-	6,791
Retained earnings				
Balance - at beginning of period	80,934	81,720	785	80,934
Net income	88	(2,862)	(2,950)	2,121
Increase of retained earnings for newly consolidated subsidiaries	355	-	(355)	355
Cash dividend	507	507	(0)	1,014
Bonus to directors	-	27	27	0
Decrease of retained earnings for newly consolidated subsidiaries	676	897	220	676
Balance - at end of period	80,194	77,425	(2,768)	81,720

Consolidated Statements of Cash Flows

(Millions of yen)

	Apr. 1, 2001 to Sep. 30, 2001	Apr. 1, 2002 to Sep. 30, 2002	Apr. 1, 2001 to Mar. 31, 2002
Operating activities			
Income before income taxes and minority interests	506	(3,764)	4,345
Depreciation and amortization	1,311	1,259	2,808
Amortization of excess of acquired net equity over cost	-	693	-
Provision for doubtful receivables	8	(114)	270
Increase in liabilities for retirement benefits	644	982	1,223
Increase in liabilities for retirement benefits for directors and corporate auditors	76	(217)	129
Interest and dividend income	(101)	(111)	(146)
Interest expenses	86	93	205
Foreign exchange loss(gain)	(3)	18	(15)
Gain on sale or disposal property, plant and equipment	(353)	(1)	(357)
Loss on sale or disposal property, plant and equipment	60	235	171
Gain on sale of investment securities	(139)	0	(140)
Loss on impairment of investment securities	428	1,329	596
Loss on impairment of golf seat	38	-	54
Bonuses to directors	-	(27)	-
Decrease(increase) in accounts receivable	15,833	15,164	7,675
Decrease(increase) in inventories	(369)	(3,747)	1,396
Increase(decrease) in notes and accounts payable	(6,079)	(4,463)	(3,916)
Increase of other current assets	(744)	(2,349)	(457)
Decrease of other current liabilities	(2,368)	1,102	(1,075)
Sub Total	8,835	6,084	12,769
Receipt of interest and dividend income	103	110	148
Payment for interest expenses	(83)	(93)	(202)
Income taxes - paid	(3,252)	(3,140)	(4,321)
Net cash provided by operating activities	5,602	2,959	8,394
Investing activities			
Purchase of time deposits with maturity over three months	(120)	(67)	(195)
Proceeds of time deposits with maturity over three months	255	225	413
Purchase of deposit with the restriction	(34)	0	(152)
Purchase of property, plant and equipment	(1,129)	(799)	(2,149)
Proceeds from sale of property, plant and equipment	569	101	612
Purchase of investment securities	(225)	(141)	(2,382)
Proceeds from sale of investment securities	185	0	197
Other - net	119	(94)	152
Net cash used in investing activities	(380)	(776)	(3,503)
Financing activities			
Increase in short-term borrowings	100	590	705
Repayment of short-term borrowings	(589)	(532)	(980)
Increase in long-term debt	-	4	2,048
Repayment of long-term debt	(695)	(84)	(2,967)
Dividends paid	(505)	(507)	(1,014)
Dividends paid for minority in consolidated subsidiary company	(22)	(26)	(22)
Purchase of treasury stock	0	(10,649)	(3)
Net cash used in financing activities	(1,711)	(11,204)	(2,233)
Net cash used in translation of cash & cash equivalents	(5)	(42)	31
Net increase(decrease) in cash & cash equivalents	3,505	(9,063)	2,688
Cash & cash equivalents ,beginning of year	32,859	36,382	32,859
Cash & cash equivalents of newly consolidated subsidiaries, beginning of year	835	554	835
Cash & cash equivalents, end of year	37,199	27,873	36,382