



For Immediate Release

August 3, 2007

Consolidated Financial Results for the First Quarter ended June 30, 2007

1. Performance for the First Quarter Ended Jun. 30, 2007 (from Apr. 1, 2007 to Jun. 30, 2007)

- The Japanese financial accounting standards are applied for this quarterly statement of accounts.
- 1st quarter results for both last year and this year are not audited.
- Amounts indicated are rounded down.
- Percentage shows the increase/(decrease) from the 1st quarter of the previous fiscal year.

(1) Results

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

	Sales		Operating income (loss)		Recurring income (loss)		Net income (loss)	
Three months ended Jun. 30, 2007	45,612	3.7%	(419)	-	(118)	-	1,294	-
Three months ended Jun. 30, 2006	43,992	38.4%	22	-	250	-	(169)	-
Year ended Mar. 31, 2007	234,572		17,313		17,857		10,646	

	Net income (loss) Per Share (Yen)
Three months ended Jun. 30, 2007	17.60
Three months ended Jun. 30, 2006	(2.31)
Year ended Mar. 31, 2007	144.71

The domestic economy in the first quarter (April-June 2007) continued to perform well as a result of improved corporate earnings, robust capital investment, and an improvement in consumer spending due to the recovery of the employment situation. Overseas, while there have been causes for concern – such as the continuing high prices for raw materials and crude oil – the international economy has remained firm, particularly in Asia and Europe. Against this economic background, the Group posted sales of 45,612 million yen, an increase of 3.7% over the same period last year (Note: this includes sales figures for Royal Controls Co., Ltd., which was consolidated during the previous consolidated accounting period).

Turning to profit and loss, owing to an increase in selling, general and administrative expenses, there was an operating loss of 419 million yen, and a recurring loss of 118 million yen; in the same period last year, the Group had operating income of 22 million yen, and a recurring income of 250 million yen. Net income for the quarter was 1,294 million yen, attributable to a gain on the sale of property, plant and equipment; in the same period last year, the Group recorded a net loss of 169 million yen.

It should be noted that the seasonality of Yamatake's business is such that sales tend to be higher at the end of the first and second halves of the fiscal year. Sales for the first quarter tend to be lower compared with the rest of the fiscal year. The first-quarter financial results for Yamatake's business segments are as follows:

Building Automation Business

In the domestic building industry, investment in manufacturing facilities and in construction – such as urban redevelopment projects – has continued to grow. In this climate, Yamatake's sales increased in the markets for new buildings and the existing buildings. Additionally, heightened customer needs for information security led to considerable expansion of Yamatake's security business. As a result, sales for the Building Automation business stood at 15,664 million yen (up 11.2% on the same period last year), and operating loss was reduced by 370 million yen to 331 million yen, down from 701 million yen in the same period last year.

Advanced Automation Business

Domestically performance has not been uniform, with markets such as steel and oil evidencing robust capital investment, while other markets such as semiconductors have suffered from a slowdown. Internationally, the Group's overseas affiliates in China, Asia, Europe and America have grown sales, especially for Yamatake's product business. As a result,



the Advanced Automation business posted sales of 19,501 million yen, up 1.9% on the same period last year. Operating income was impacted by the cost rate increase as well as by a rise in selling, general and administrative expenses, falling to 98 million yen from 821 million yen in the same period last year.

Life Automation Business

In the Life Automation business, Kimmon Manufacturing Co., Ltd. – which plays a key role in the Lifeline field – has been facing a challenging business environment, with steep rises in the cost of raw materials and stiff price competition with rival companies. Turning to the Life Assist field, here the business environment continues to be severe; this is in part due to revisions in Japan's Nursing Care Insurance Law. Nevertheless, the senior group homes business and day services business have performed well. As a result, sales for the Life Automation business were 8,769 million yen, with an operating loss of 204 million yen.

Other Businesses

As regards the importing, buying-in and marketing of inspection and measurement equipment, sales of 1,948 million yen were posted, with an operating loss of 2 million yen.

(Reference)

	(Millions of yen)			
	1Q/FY2007	2Q/FY2007	3Q/FY2007	4Q/FY2007
Sales	45,612	-	-	-
Operating income (loss)	(419)	-	-	-

	1Q/FY2006	2Q/FY2006	3Q/FY2006	4Q/FY2006
Sales	43,992	60,280	47,868	82,430
Operating income (loss)	22	5,335	402	11,553

(2) Financial Position

	(Millions of yen, except for per share figures)			
	Total Assets	Net Assets	Shareholder's equity to Net Asset (%)	Net assets per Share (Yen)
As of Jun. 30, 2007	220,703	118,181	53.0%	1,590.77
As of Jun. 30, 2006	206,490	108,493	52.2%	1,474.73
As of Mar. 31, 2007	230,679	118,966	51.1%	1,602.33

Total assets at the end of the first quarter had increased by 14,213 million yen compared to the end of the first quarter last year. This can be attributed to an increase in trade notes and accounts receivable through business expansion, and also to the consolidation of Royal Controls Co., Ltd. from the third quarter of last year. For the same reasons, liabilities increased by 4,525 million yen, principally in trade payable. Net assets increased by 9,687 million yen; equity ratio stands at 53.5%.

2. Forecast for Fiscal 2007 (April 1, 2007 to March 31, 2008)

The forecasts for the six months ending September 30, 2007 and the fiscal year ending March 31, 2008 remain the same as the revised forecast announced on June 21, 2007.

* 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.



3. Other

- (1) Change in scope of consolidation: None
- (2) Adoption of simplified accounting treatment: None
- (3) Changes in accounting principles and procedures: The method of translation for the statements of income of the consolidated foreign subsidiaries was changed from the year ending March 31, 2008. In prior periods, all income and expenses of consolidated foreign subsidiaries were translated into Japanese yen at the period-end rates. From this period, all income and expenses of consolidated foreign subsidiaries are translated into Japanese yen at the average rate during the period. The effects of this change in accounting policy are immaterial.

Any inquiry relating to these statements should be made to:
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Consolidated Balance Sheets

(Millions of yen)

	(A) As of Jun. 30, 2006		(B) As of Jun. 30, 2007		Difference		As of Mar. 31, 2007	
					(B)-(A)	(%)		
Current assets	135,695	65.7	152,812	69.2	17,117	12.6	159,720	69.2
Cash	24,479		22,520		(1,958)	(8.0)	24,075	
Notes and accounts receivable	67,955		72,190		4,235	6.2	89,183	
Inventories	26,664		31,595		4,931	18.5	24,702	
Deferred tax assets	4,944		5,544		599	12.1	5,716	
Prepaid expenses and other current assets	12,075		21,315		9,239	76.5	16,398	
Allowance for doubtful receivable	(424)		(354)		70	-	(356)	
Fixed assets	70,794	34.3	67,891	30.8	(2,903)	(4.1)	70,958	30.8
Property, plant and equipment	30,869	15.0	29,989	13.6	(880)	(2.9)	30,677	13.3
Intangible fixed assets	6,689	3.2	5,965	2.7	(723)	(10.8)	6,174	2.7
Investment and other assets	33,235	16.1	31,935	14.5	(1,300)	(3.9)	34,106	14.8
Investment securities	22,362		22,535		173	0.8	24,368	
Deferred tax assets	1,519		204		(1,314)	(86.5)	244	
Other assets	10,005		9,624		(380)	(3.8)	9,976	
Allowance for doubtful receivable	(651)		(429)		221	-	(482)	
Total assets	206,490	100.0	220,703	100.0	14,213	6.9	230,679	100.0



Consolidated Balance Sheets

(Millions of yen)

	(A) As of Jun. 30, 2006		(B) As of Jun. 30, 2007		Difference		As of Mar. 31, 2007	
					(B)-(A)	(%)		
Current liabilities	71,564	34.7	77,692	35.2	6,128	8.6	86,967	37.7
Notes and accounts payable	36,782		39,380		2,598	7.1	42,200	
Short-term borrowings	14,151		14,065		(86)	(0.6)	14,017	
Accrued bonuses	3,734		4,143		408	10.9	8,754	
Other current liabilities	16,895		20,104		3,208	19.0	21,995	
Long-term liabilities	26,432	12.8	24,829	11.3	(1,602)	(6.1)	24,744	10.7
Long-term debt	7,887		6,086		(1,800)	(22.8)	6,152	
Liability for employees' retirement benefits	16,371		15,375		(995)	(6.1)	15,874	
Liability for retirement benefits for directors and corporate auditors	150		157		6	4.5	173	
Other long term liabilities	2,023		3,209		1,186	58.7	2,544	
Total liabilities	97,996	47.5	102,522	46.5	4,525	4.6	111,712	48.4
Shareholders' equity	101,211	49.0	109,640	49.7	8,429	8.3	110,185	47.8
Common stock	10,522	5.1	10,522	4.8	-	-	10,522	4.6
Additional paid-in capital	12,647	6.1	12,647	5.7	-	-	12,647	5.5
Retained earnings	78,049	37.8	86,480	39.2	8,431	10.8	87,025	37.7
Treasury stock	(8)	(0.0)	(10)	(0.0)	(2)	-	(10)	(0.0)
Evaluation and translation adjustments	6,574	3.2	7,388	3.3	814	12.4	7,694	3.3
Variances on securities valuations	6,452	3.1	7,204	3.2	751	11.7	7,477	3.2
Loss on deferred hedge	-	-	(1)	(0.0)	(1)	-	(1)	(0.0)
Foreign currency translation adjustments	121	0.1	185	0.1	64	52.8	218	0.1
Minority interests	708	0.3	1,152	0.5	443	62.7	1,086	0.5
Total net assets	108,493	52.5	118,181	53.5	9,687	8.9	118,966	51.6
Total liabilities and net assets	206,490	100.0	220,703	100.0	14,213	6.9	230,679	100.0



Consolidated Statements of Operations

(Millions of yen)

	(A) Apr. 1, 2006 to Jun. 30, 2006		(B) Apr. 1, 2007 to Jun. 30, 2007		Difference		Apr. 1, 2006 to Mar. 31, 2007	
					(B)-(A)	(%)		
Net sales	43,992	100.0	45,612	100.0	1,619	3.7	234,572	100.0
Cost of sales	28,223	64.2	29,342	64.3	1,118	4.0	149,792	63.9
Gross profit	15,768	35.8	16,270	35.7	501	3.2	84,779	36.1
Selling, general and administrative expenses	15,745	35.7	16,689	36.6	944	6.0	67,466	28.7
Operating income (loss)	22	0.1	(419)	(0.9)	(442)	-	17,313	7.4
Non-operating income	359	0.8	465	1.0	105	29.5	1,109	0.4
Non-operating expenses	131	0.3	164	0.4	32	25.1	565	0.2
Recurring income (loss)	250	0.6	(118)	(0.3)	(369)	-	17,857	7.6
Extraordinary profit	-	-	2,833	6.3	2,833	-	629	0.3
Extraordinary loss	60	0.2	48	0.1	(11)	(19.6)	631	0.3
Income before income taxes and minority interest	190	0.4	2,666	5.9	2,476	-	17,855	7.6
Income taxes - current	192	0.4	242	0.6	49	26.0	5,970	2.6
Income taxes - deferred	131	0.3	1,047	2.3	916	699.7	1,027	0.4
Minority interests in net income	36	0.1	81	0.2	45	123.2	211	0.1
Net income (loss)	(169)	(0.4)	1,294	2.8	1,464	-	10,646	4.5



Business Segment information

First Quarter of Fiscal 2006 (Apr. 1, 2006 to Jun. 30, 2006)

(Millions of yen)

	BS	AA	LA	Others	Total	Elimi- nation	Consoli- dation
Sales	14,085	19,145	8,705	2,377	44,313	(321)	43,992
Operating cost and expenses	14,786	18,324	8,880	2,307	44,298	(328)	43,969
Operating income	(701)	821	(175)	70	14	7	22

First Quarter of Fiscal 2007 (Apr. 1, 2007 to Jun. 30, 2007)

(Millions of yen)

	BS	AA	LA	Others	Total	Elimi- nation	Consoli- dation
Sales	15,664	19,501	8,769	1,948	45,883	(271)	45,612
Operating cost and expenses	15,996	19,403	8,973	1,950	46,323	(291)	46,031
Operating income	(331)	98	(204)	(2)	(439)	20	(419)

Notes: BS/Building Automation Business, AA/Advanced Automation Business, LA/Life Automation Business

Order

(Millions of yen)

	Orders		Backlog	
	Apr. 1, 2007 to Jun. 30, 2007		As of Jun. 30, 2007	
Building Automation	38,555	9.4%	57,823	14.7%
Advanced Automation	26,062	5.1%	34,725	8.7%
Life Automation	9,360	(3.8%)	1,678	(10.4%)
Others	2,080	(35.2%)	1,239	(29.1%)
Total	76,058	4.2%	95,465	11.0%
Elimination	(505)	-	(815)	-
Consolidation	75,552	4.2%	94,650	10.7%