

Consolidated Financial Results for the First Half of Fiscal 2004 ending March 2005

1. Performance for the half year (from Apr. 1, 2004 to September. 30, 2004)

- Prepared in accordance with the Japanese financial accounting standards.
- Amounts under indication have been rounded down.
- Percentage shows the increase/decrease from the First Half of the previous year.

(1) Results

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

	Sales		Operating income		Net income	
First Half of Fiscal 2004	80,788	4.0%	1,650	150.9%	(1,260)	-
First Half of Fiscal 2003	77,666	6.0%	657	-	351	-
Fiscal 2003	169,950	-	6,820	-	3,240	-

	Net income Per Share (Yen)
First Half of Fiscal 2004	(17.13)
First Half of Fiscal 2003	4.77
Fiscal 2003	43.51

Notes: Weighted average number of shares outstanding:

First half of Fiscal 2004	73,569,743 shares	First half of Fiscal 2003	73,570,444 shares
Fiscal 2003	73,570,236 shares		

(2) 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, 2004	159,235	93,560	58.8%	1,271.74
As of September 30, 2003	156,531	92,513	59.1%	1,257.49
As of March 31, 2004	165,263	95,530	57.8%	1,297.95

Notes: Number of shares outstanding as of:

September 30, 2004	73,569,535 shares	September 30, 2003	73,570,321 shares
March 31, 2004	73,569,861 shares		

(3) Cash Flows

(Millions of yen, except for per share figures)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
First Half of Fiscal 2004	1,906	(2,444)	(731)	37,135
First Half of Fiscal 2003	3,330	(971)	(706)	35,563
Fiscal 2003	5,263	(270)	(328)	38,401

(4) Scope of consolidation and application of equity method

Consolidated subsidiaries	20 companies
Unconsolidated subsidiaries	0 companies
Affiliates using the equity method	0 companies

(5) Change in scope of consolidation and application of equity method

Consolidated subsidiaries	(Newly)	0 companies	(Exclusion)	0 companies
Equity method	(Newly)	0 companies	(Exclusion)	0 companies

(6) Business Segment Information

First Half of Fiscal 2004 (April 1, 2004 to September 30, 2004)

(Millions of yen)

	BS	AA	Others	Total	Elimi- nation	Consoli- dation
Sales						
i. Customers	34,269	38,893	7,626	80,788	-	80,788
ii. Inter-segment	336	286	123	746	(746)	-
Total	34,606	39,179	7,749	81,535	(746)	80,788
Operating cost and expenses	34,129	37,413	8,239	79,781	(643)	79,138
Operating income	477	1,766	(489)	1,753	(103)	1,650

Notes: BS/Building System Business, AA/Advanced Automation Business

First Half of Fiscal 2003 (April 1, 2003 to September 30, 2003)

(Millions of yen)

	BS	AA	Others	Total	Elimi- nation	Consoli- dation
Sales						
i. Customers	33,803	36,826	7,035	77,666	-	77,666
ii. Inter-segment	260	365	226	853	(853)	-
Total	34,064	37,192	7,262	78,519	(853)	77,666
Operating cost and expenses	33,276	36,568	8,005	77,850	(841)	77,008
Operating income	787	624	(742)	669	(11)	657

Fiscal 2003 (April 1, 2003 to March 31, 2004)

(Millions of yen)

	BS	AA	Others	Total	Elimi- nation	Consoli- dation
Sales						
i. Customers	78,525	77,297	14,127	169,950	-	169,950
ii. Inter-segment	552	861	482	1,897	(1,897)	-
Total	79,078	78,159	14,610	171,848	(1,897)	169,950
Operating cost and expenses	73,382	75,553	16,018	164,955	(1,824)	163,130
Operating income	5,695	2,605	(1,408)	6,892	(72)	6,820

(7) Dividends per Share

	Interim Dividends per Share (Yen)	Annual Dividends per Share (Yen)
First Half of Fiscal 2004	10.00	-
First Half of Fiscal 2003	6.00	-
Fiscal 2003	-	14.00

2. Forecast for Fiscal 2004 (April 1, 2004 to March 31, 2005)

(Millions of yen)

	Sales	Operating income	Net income
Year ending March 31, 2005	180,000	9,100	2,900

For reference: Estimate of net income per share for the year ending March 31, 2005: 38.89 yen



* 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 and subsidiaries.

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.

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Consolidated Statements of Operations

(Millions of yen)

	(A) Apr. 1, 2003 to Sep. 30, 2003		(B) Apr. 1, 2004 to Sep. 30, 2004		Difference (B)-(A)	Apr. 1, 2003 to Mar. 31, 2004	
Net sales	77,666	100.0	80,788	100.0	3,122	169,950	100.0
Cost of sales	47,980	61.8	50,228	62.2	2,248	104,821	61.7
Gross profit	29,686	38.2	30,560	37.8	874	65,129	38.3
Selling, general and administrative expenses	29,028	37.4	28,909	35.8	(118)	58,309	34.3
Operating income	657	0.8	1,650	2.0	992	6,820	4.0
Non-operating income	346	0.4	335	0.4	(11)	645	0.4
Interest income	9		10		0	17	
Dividend income	79		124		44	108	
Exchange gain	-		94		94	-	
Others	257		105		(152)	519	
Non-operating expenses	345	0.4	154	0.1	(191)	628	0.4
Interest expense	75		67		(7)	122	
Exchange loss	90		-		(90)	221	
Others	179		86		(92)	284	
Recurring profit	659	0.8	1,831	2.3	1,172	6,838	4.0
Extraordinary profit	82	0.1	91	0.1	8	194	0.1
Gain on sales of investment securities	81		2		(79)	191	
Gain on sales of property, plant and equipment	1		88		87	2	
Extraordinary loss	231	0.2	3,639	4.5	3,407	540	0.3
Loss on sales or disposals of property, plant and equipment	205		118		(86)	335	
Loss on impairment of investment securities	4		-		(4)	40	
Loss on sales of investment securities	2		-		(2)	13	
Loss on impairment of investment in partnership	-		-		-	127	
Loss on changes to the employees' pension plan	-		3,452		3,452	-	
Others	20		67		47	23	
Income(loss) before income taxes and minority interest	510	0.7	(1,716)	(2.1)	(2,227)	6,492	3.8
Income taxes - current	356	0.5	247	0.3	(109)	808	0.5
Income taxes - deferred	(231)	(0.3)	(761)	(0.9)	(529)	2,371	1.4
Minority interests in net income	33	0.0	56	0.1	23	72	0.0
Net income(loss)	351	0.5	(1,260)	(1.6)	(1,611)	3,240	1.9

Consolidated Statements of Shareholders' Equity

(Millions of yen)

	(A) Apr. 1, 2003 to Sep. 30, 2003	(B) Apr. 1, 2004 to Sep. 30, 2004	Difference (B)-(A)	Apr. 1, 2003 to Mar. 31, 2004
Capital surplus				
Balance - at the beginning of period	6,791	12,647	5,856	6,791
Increase in capital surplus	5,856	-	(5,856)	5,856
Increase of capital surplus for merger	5,856	-	(5,856)	5,856
Balance - at the end of period	12,647	12,647	-	12,647
Retained earnings				
Balance - at the beginning of period	85,155	70,782	(14,372)	85,155
Increase in retained earnings	351	-	(351)	3,240
Net income	351	-	(351)	3,240
Decrease in retained earnings	6,521	1,886	(4,635)	17,613
Net loss	-	1,260	1,260	-
Decrease of retained earnings for merger	5,856	-	(5,856)	5,856
Cash dividend	441	588	147	882
Bonus to directors	32	37	5	32
Purchase of treasury stock	-	-	-	10,649
Decrease of retained earnings for newly consolidated subsidiaries	191	-	(191)	191
Balance - at end of period	78,985	68,896	(10,088)	70,782

Consolidated Balance Sheets

(Millions of yen)

ASSETS							
	(A) As of Sep. 30, 2003		(B) As of Sep. 30, 2004		Difference (B)-(A)	As of Mar. 31, 2004	
Current assets	116,930	74.7	120,662	75.8	3,731	125,490	75.9
Cash	33,929		35,772		1,843	35,118	
Notes and accounts receivable	53,309		55,385		2,076	63,313	
Inventories	18,416		19,360		944	16,661	
Deferred tax assets	6,425		5,029		(1,395)	3,414	
Prepaid expenses and other current assets	5,204		5,428		224	7,325	
Allowance for doubtful receivable	(354)		(315)		38	(342)	
Fixed assets	39,601	25.3	38,573	24.2	(1,027)	39,772	24.1
Property, plant and equipment	16,112	10.3	15,427	9.7	(685)	15,618	9.5
Intangible fixed assets	1,469	0.9	1,462	0.9	(7)	1,393	0.8
Investment and other assets	22,018	14.1	21,683	13.6	(334)	22,760	13.8
Investment securities	9,979		10,959		979	11,038	
Deferred tax assets	6,511		5,600		(911)	6,418	
Other assets	5,836		5,449		(387)	5,661	
Allowance for doubtful receivable	(310)		(325)		(15)	(358)	
Total	156,531	100.0	159,235	100.0	2,704	165,263	100.0

(Millions of yen)

LIABILITIES AND SHAREHOLDERS' EQUITY							
	(A) As of Sep. 30, 2003		(B) As of Sep. 30, 2004		Difference (B)-(A)	As of Mar. 31, 2004	
Current liabilities	45,293	28.9	50,519	31.7	5,225	52,129	31.6
Notes and accounts payable	23,758		25,625		1,867	28,915	
Short-term borrowings	2,361		5,125		2,763	5,172	
Advance payments	5,167		5,599		432	3,758	
Accrued bonuses	5,439		5,388		(50)	5,815	
Other current liabilities	8,566		8,780		214	8,467	
Long-term liabilities	18,293	11.7	14,716	9.2	(3,576)	17,213	10.4
Long-term debt	4,502		2,271		(2,230)	2,404	
Liability for employees' retirement benefits	13,298		11,412		(1,885)	14,307	
Liability for retirement benefits for directors and corporate auditors	452		414		(38)	465	
Other long term liabilities	39		617		577	35	
Total liabilities	63,586	40.6	65,235	40.9	1,648	69,343	42.0
Minority interests	431	0.3	439	0.3	8	390	0.2
Shareholders' equity							
Common stock	10,522	6.7	10,522	6.6	-	10,522	6.4
Capital surplus	12,647	8.1	12,647	8.0	-	12,647	7.6
Retained earnings	78,985	50.4	68,896	43.3	(10,088)	70,782	42.8
Unrealized gain on available-for-sale securities	910	0.6	1,603	1.0	693	1,632	1.0
Foreign currency translation adjustments	102	0.1	(103)	(0.1)	(205)	(49)	(0.0)
Treasury stock	(10,654)	(6.8)	(6)	(0.0)	10,648	(6)	(0.0)
Total shareholders' equity	92,513	59.1	93,560	58.8	1,047	95,530	57.8
Total	156,531	100.0	159,235	100.0	2,704	165,263	100.0

Consolidated Statements of Cash Flows

(Millions of yen)

	Apr. 1, 2003 to Sep. 30, 2003	Apr. 1, 2004 to Sep. 30, 2004	Apr. 1, 2003 to Mar. 31, 2004
Operating activities			
Income(loss) before income taxes and minority interests	510	(1,716)	6,492
Depreciation and amortization	1,118	1,092	2,346
Amortization of excess of acquired net equity over cost	-	-	65
Provision for doubtful receivables	24	42	116
Increase(decrease) in liabilities for retirement benefits	997	(2,894)	2,006
Increase(decrease) in liabilities for retirement benefits for directors and corporate auditors	23	(50)	36
Interest and dividend income	(88)	(134)	(126)
Interest expenses	75	67	122
Foreign exchange loss(gain)	2	(16)	(1)
Gain on sale or disposal property, plant and equipment	(1)	(88)	(2)
Loss on sale or disposal property, plant and equipment	205	118	335
Gain on sale of investment securities	(81)	(2)	(191)
Loss on sale of investment securities	2	-	13
Loss on impairment of investment securities	4	-	40
Bonuses to directors	(32)	(39)	(32)
Decrease(increase) in accounts receivable	9,252	7,917	(728)
Decrease(increase) in inventories	(1,164)	(2,698)	590
Increase(decrease) in notes and accounts payable	(3,552)	(3,321)	1,550
Increase of other current assets	119	(431)	351
Decrease of other current liabilities	(666)	2,328	(2,095)
Sub Total	6,749	172	10,886
Receipt of interest and dividend income	89	134	127
Payment for interest expenses	(76)	(69)	(117)
Income taxes - refunded	-	2,093	514
Income taxes - paid	(3,432)	(423)	(6,147)
Net cash provided by operating activities	3,330	1,906	5,263
Investing activities			
Purchase of time deposits with maturity over three months	(113)	(76)	(116)
Proceeds of time deposits with maturity over three months	40	77	78
Purchase of deposit with the restriction	(86)	(731)	(106)
Proceeds of deposit with the restriction	-	189	252
Purchase of property, plant and equipment	(1,001)	(810)	(1,860)
Proceeds from sale of property, plant and equipment	20	136	206
Purchase of investment securities	(56)	(25)	(173)
Purchase of subsidiary stocks	-	-	(139)
Proceeds from sale of investment securities	171	8	454
Redemption of investment securities	50	50	100
Purchase of share of investment trust over three months	(1,096)	(999)	(1,096)
Proceeds from sale of share of investment trust over three months	1,252	-	2,349
Other - net	(151)	(263)	(218)
Net cash used in investing activities	(971)	(2,444)	(270)
Financing activities			
Increase in short-term borrowings	600	698	1,862
Repayment of short-term borrowings	(807)	(802)	(1,208)
Increase in long-term debt	30	-	1,174
Repayment of long-term debt	(86)	(29)	(1,284)
Dividends paid	(441)	(589)	(882)
Dividends paid for minority in consolidated subsidiary company	-	(8)	(1)
Receipt from minority in consolidated subsidiary company	-	-	11
Purchase of treasury stock	(0)	(0)	(0)
Net cash used in financing activities	(706)	(731)	(328)
Net cash used in translation of cash & cash equivalents	84	2	(89)
Net increase(decrease) in cash & cash equivalents	1,736	(1,265)	4,574
Cash & cash equivalents, beginning of year	33,670	38,401	33,670
Cash & cash equivalents of newly consolidated subsidiaries, beginning of year	155	-	155
Cash & cash equivalents, end of year	35,563	37,135	38,401