



Consolidated Financial Results

for Fiscal Year 2004 ended March 31, 2005 and

Operating Plan

for Fiscal Year 2005 ending March 31, 2006

Yamatake Corporation

Statements made in these documents 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. 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 these documents.

* Figures are rounded off.



Operating Results for FY2004

Operating Results

(Millions of yen)

	<u>FY2002</u> 2003/3	<u>FY2003</u> 2004/3	<u>FY2004</u> 2005/3	Dif. (FY03-04)	<u>% Change</u>
Net Sales	167,969	169,951	180,763	10,812	6.4
Gross profit	64,377	65,130	67,754	2,624	4.0
% to Net sales	38.3	38.3	37.5	(0.8)	
R&D expenses	8,881	8,099	8,170	71	0.9
SG&A expenses	52,221	50,210	50,231	21	0.0
Op. income	3,275	6,820	9,353	2,532	37.1
% to Net sales	1.9	4.0	5.2	1.2	
Recurring income	3,339	6,838	9,496	2,658	38.9
Net income	5,308	3,241	3,709	468	14.4
<hr/>					
Total assets	162,919	165,264	172,586	7,322	4.4
Shareholders' equity	91,779	95,530	99,848	4,318	4.5
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ROE (%)	5.6	3.5	3.8	0.3	

Note: No new companies were included in the consolidated financial results during this period



Operating Results (Semiannual)

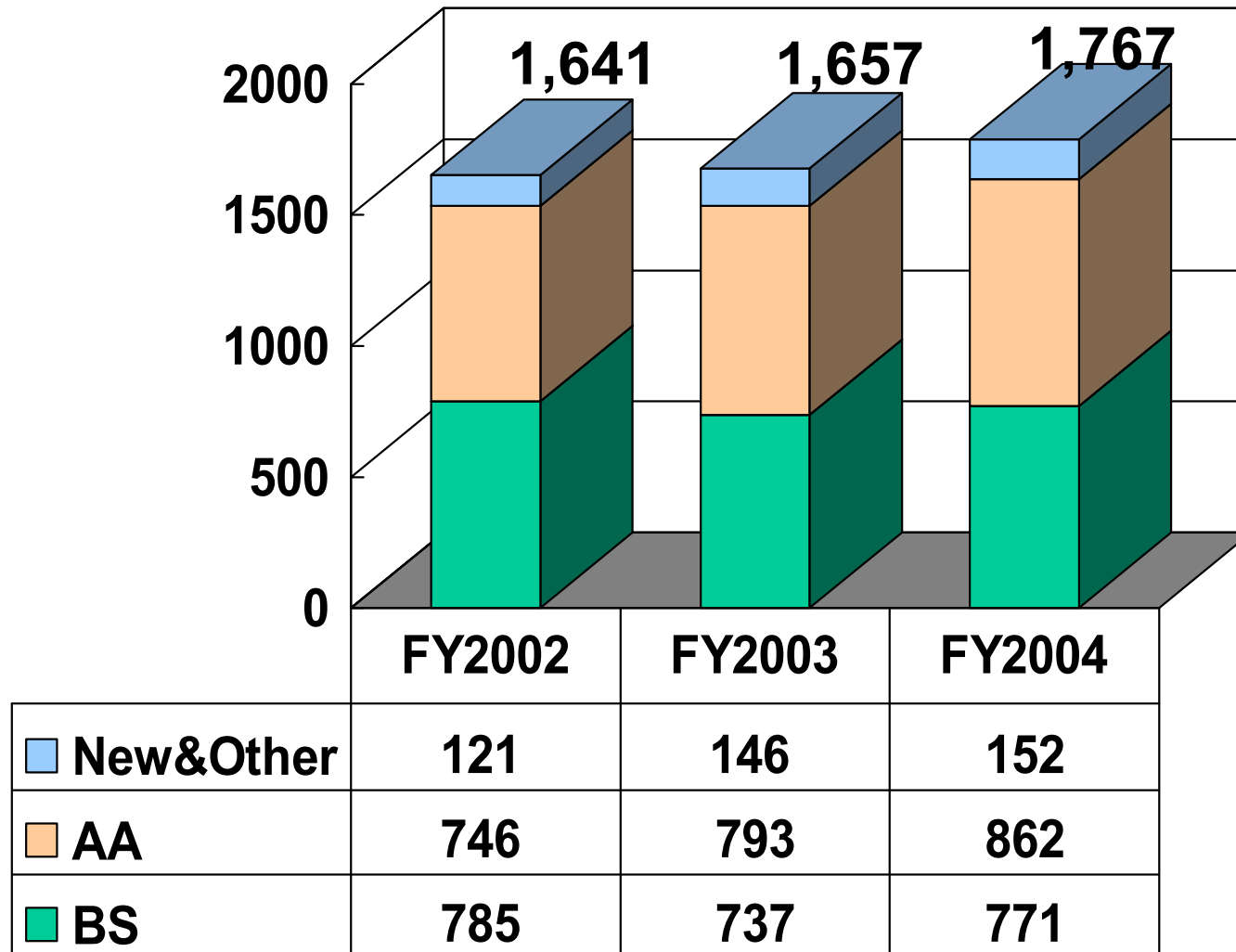
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(Millions of yen)

	FY2003 (2004/3)		FY2004 (2005/3)		Difference			
	<u>1H</u>	<u>2H</u>	<u>1H</u>	<u>2H</u>	<u>1H</u>	<u>%</u>	<u>2H</u>	<u>%</u>
Net Sales	77,666	92,285	80,789	99,974	3,123	4.0	7,689	8.3
Gross profit	29,686	35,444	30,560	37,194	874	2.9	1,750	4.9
% to Net sales	38.2	38.4	37.8	37.2	(0.4)		(1.2)	
Op. income	658	6,162	1,650	7,702	993	150.9	1,540	25.0
% to Net sales	0.8	6.7	2.0	7.7	1.2		1.0	
Recurring income	659	6,179	1,831	7,665	1,172	177.9	1,486	24.0
Net income	351	2,890	(1,260)	4,968	(1,611)	—	2,078	71.9
<hr/>								
Total assets	156,531	165,264	159,236	172,586	2,704	1.7	7,322	4.4
Shareholders' equity	92,514	95,530	93,561	99,848	1,047	1.1	4,318	4.5

Orders

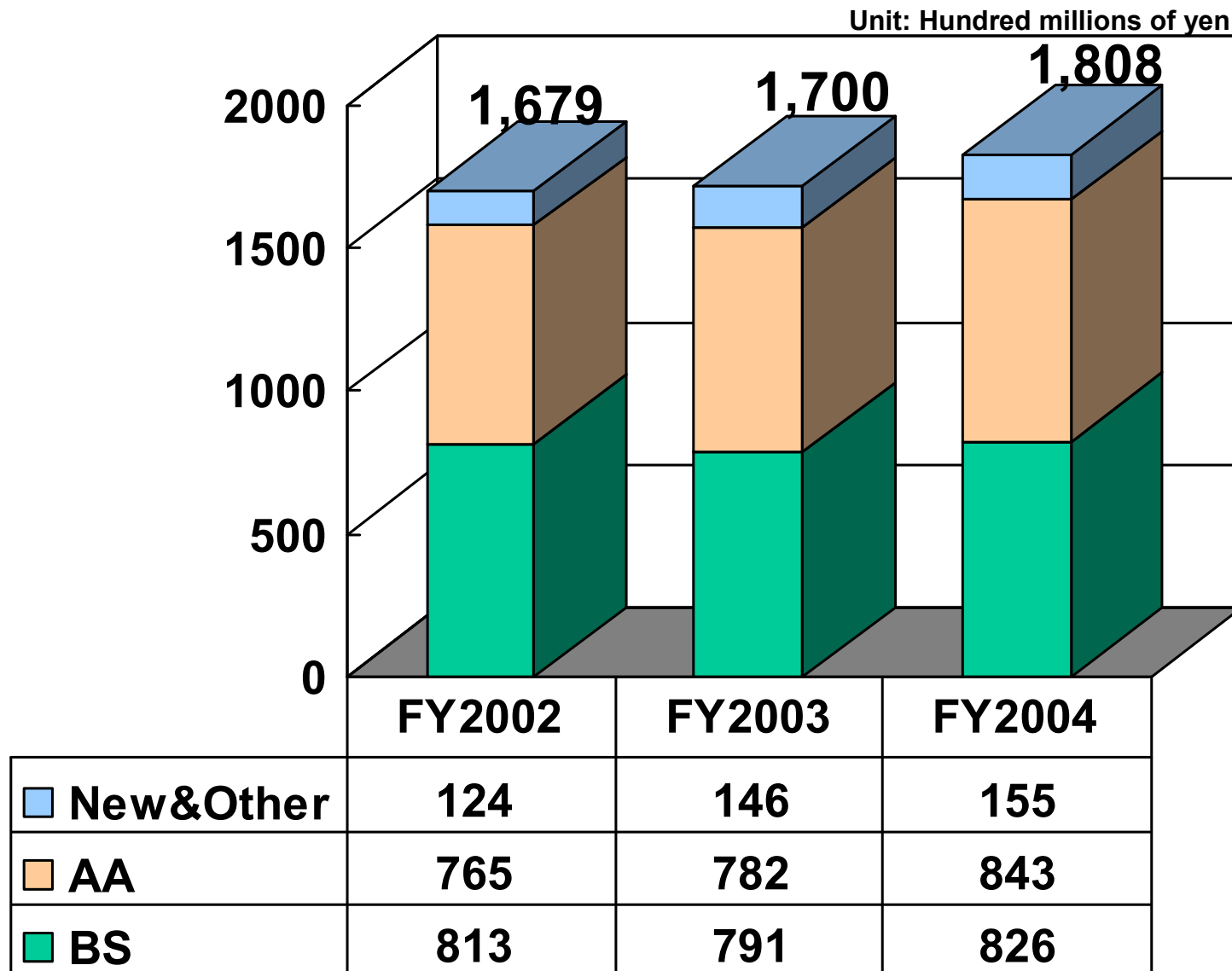
Unit: Hundred millions of yen



* AA: Advanced automation business BS: Building systems business

- ◆ The difference between the total results for all business lines and consolidated orders is from internal transactions, which have been eliminated.

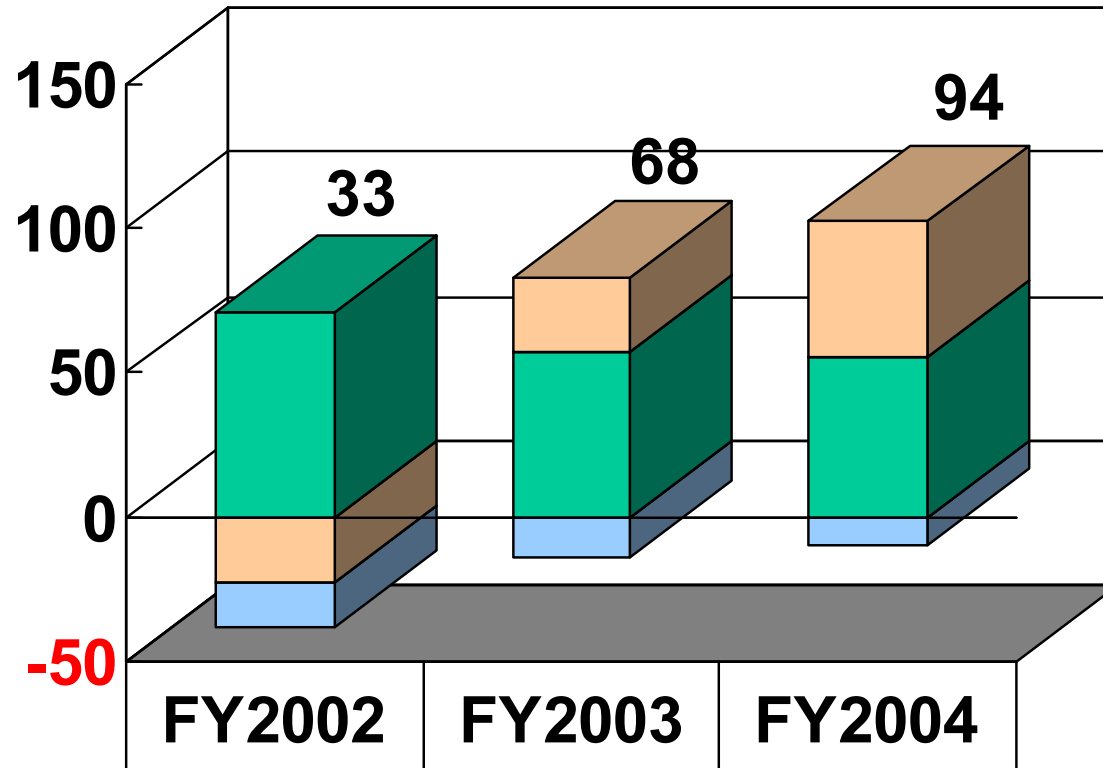
Sales



◆ The difference between the total results for all business lines and consolidated sales is from internal transactions, which have been eliminated.

Operating Income

Unit: Hundred millions of yen

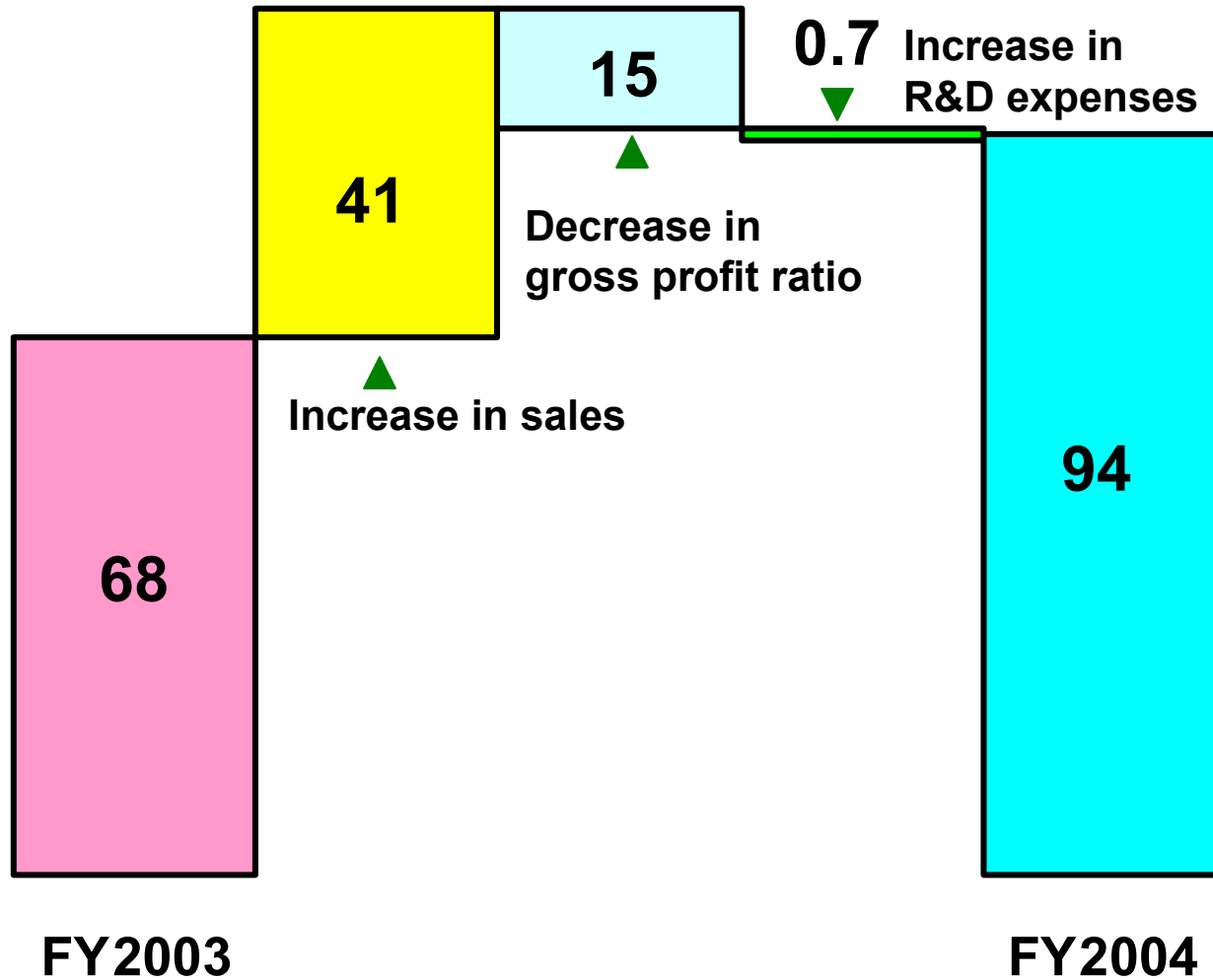


	FY2002	FY2003	FY2004
New&Other	-15	-14	-9
AA	-23	26	47
BS	71	57	55

◆ The difference between the total results for all business lines and consolidated operating income is from internal transactions, which have been eliminated.

Change in Operating Income

Unit: Hundred millions of yen



Non-operating Income & Expenses

(Millions of yen)

	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	Dif.	
				<u>(FY03-04)</u>	<u>% Change</u>
Operating income	3,275	6,820	9,353	2,532	37.1
Non-op. income	681	646	476	(170)	(26.4)
Non-op. expenses	617	628	333	(295)	(47.0)
Reccuring income	3,339	6,838	9,496	2,657	38.9
Extra. gain	11,588	195	105	(89)	(45.9)
Extra. loss	3,692	540	3,832	3,292	609.6
Income before income taxes and minority interest	11,235	6,493	5,769	(724)	(11.2)
Income taxes and minority interest	5,927	3,252	2,060	(1,192)	(36.7)
Net income	5,308	3,241	3,709	468	14.4

Sales and Income by Business Segments

		(Millions of yen)				
		Dif.				
		<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>(FY03-04)</u>	<u>% Change</u>
BS	Net sales	81,332	79,078	82,598	3,520	4.5
	Op. income	7,072	5,695	5,536	(159)	(2.8)
	%	8.7	7.2	6.7	(0.5)	
AA	Net sales	76,536	78,160	84,317	6,157	7.9
	Op. income	(2,285)	2,606	4,724	2,118	81.3
	%	(3.0)	3.3	5.6	2.3	
New& Other	Net sales	12,450	14,610	15,524	914	6.3
	Op. income	(1,525)	(1,408)	(934)	474	-
	%	(12.2)	(9.6)	(6.0)	3.6	
Consoli.	Net sales	167,969	169,951	180,763	10,812	6.4
	Op. income	3,275	6,820	9,353	2,532	37.1
	%	1.9	4.0	5.2	1.2	

Sales and Income by Business Segments (Semiannual)

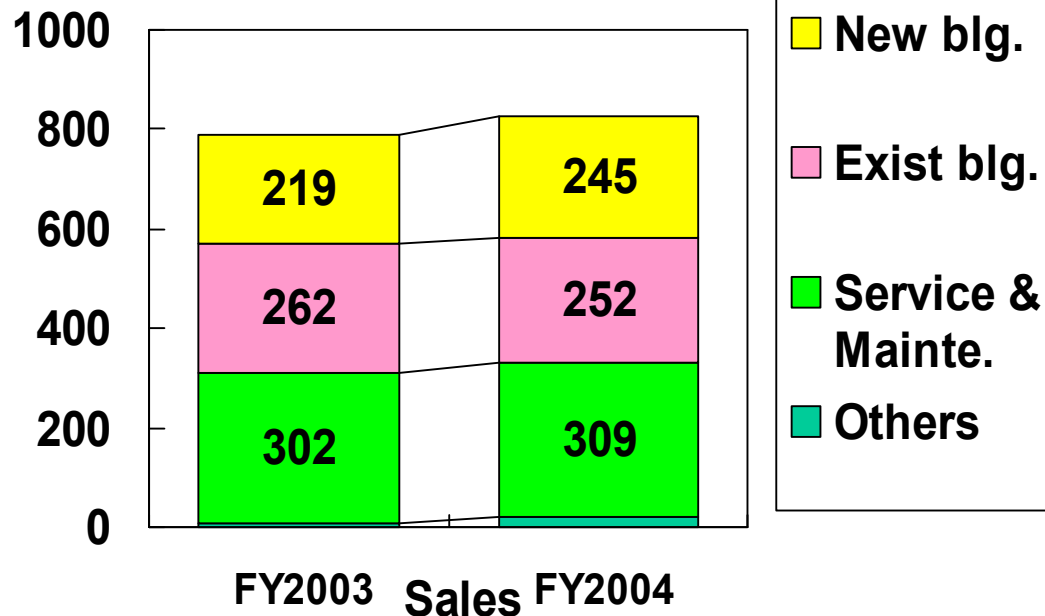
(Millions of yen)

		FY2003		FY2004		Difference			
		<u>1H</u>	<u>2H</u>	<u>1H</u>	<u>2H</u>	<u>1H</u>	<u>%</u>	<u>2H</u>	<u>%</u>
BS	Net sales	34,064	45,014	34,606	47,992	542	1.6	2,978	6.6
	Op. income	788	4,908	420	5,117	(368)	(46.7)	209	4.3
	%	2.3	10.9	1.2	10.7	(1.1)		(0.2)	
AA	Net sales	37,192	40,967	39,180	45,137	1,987	5.3	4,170	10.2
	Op. income	624	1,982	1,705	3,019	1,081	173.2	1,037	52.3
	%	1.7	4.8	4.4	6.7	2.7		1.9	
New& Other	Net sales	7,263	7,347	7,750	7,774	487	6.7	427	5.8
	Op. income	(743)	(666)	(490)	(444)	252	—	222	—
	%	(10.2)	(9.1)	(6.3)	(5.7)	3.9		3.4	
Consoli.	Net sales	77,666	92,285	80,789	99,974	3,123	4.0	7,689	8.3
	Op. income	658	6,162	1,650	7,702	993	—	1,540	25.0
	%	0.8	6.7	2.0	7.7	1.2		1.0	

Building Systems Business

	<u>FY2003</u>	<u>FY2004</u>	(Millions of yen)	
			<u>Dif.</u>	<u>% Change</u>
BS Net sales	79,078	82,598	3,520	4.5
Op. income	5,695	5,536	(159)	(2.8)
%	7.2	6.7	(0.5)	
Orders	73,684	77,138	3,454	4.7
Order backlog	30,882	25,422	(5,460)	(17.7)

Unit: Hundred millions of yen

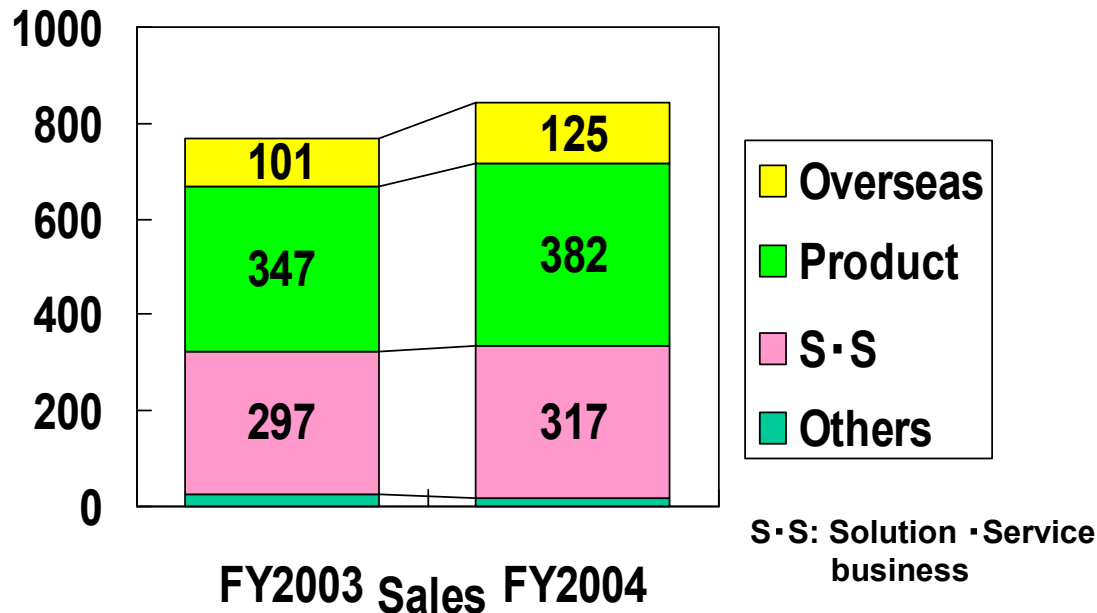


- ◆ Sales to the market for new buildings rose by 2.6 bil. yen mainly owing to favorable conditions in the market for factory.
- ◆ Sales to the market for existing buildings fell temporarily despite ESCO business grew steadily.
- ◆ Steady growth was evident in the service market.

Advance Automation Business

			(Millions of yen)	
	<u>FY2003</u>	<u>FY2004</u>	<u>Dif.</u>	<u>% Change</u>
Net sales	78,160	84,317	6,157	7.9
Op. income	2,606	4,724	2,118	81.3
%	3.3	5.6	2.3	
Orders	79,289	86,230	6,941	8.8
Order backlog	21,629	23,543	1,914	8.8

Unit: Hundred millions of yen

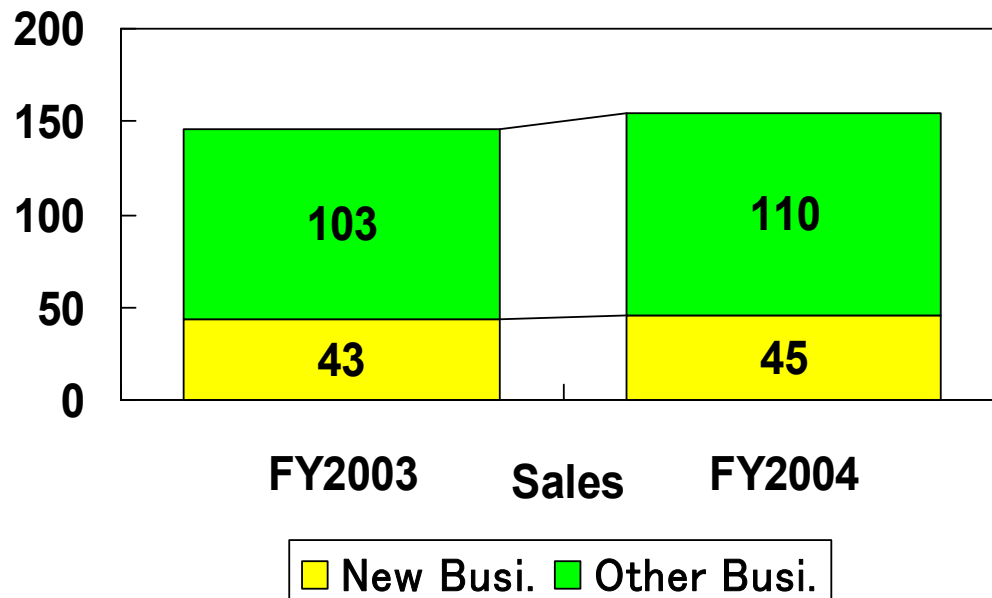


- ◆ Domestic sales expanded in the overall manufacturing industry, driven by investment in semiconductor, electrical, electronic and automotive markets.
- ◆ Overseas sales increased in China and other areas in Asian. Sales for control products and field instruments expanded greatly.
- ◆ Sales for new products and in domains peripheral to AA business grew steadily.

New & Other businesses

	<u>FY2003</u>	<u>FY2004</u>	(Millions of yen)	
			<u>Dif.</u>	<u>% Change</u>
Net sales	14,610	15,524	914	6.3
Op. income	(1,408)	(934)	474	—
%	(9.6)	(6.0)	3.6	
Orders	14,642	15,195	553	3.8

Unit: Hundred millions of yen



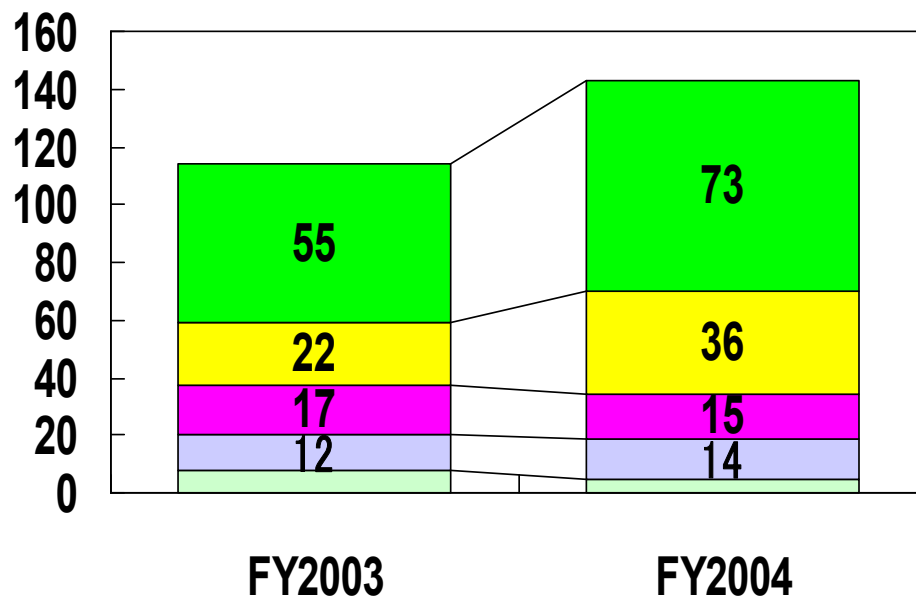
- ◆ Sales for care services was 3.4 bil. yen, an increase of 0.4 bil. yen, or 12%, compared the last fiscal year.
- ◆ Sales for inspection/measurement and industrial equipments increased 0.7 bil. yen following economic recovery and an favorable conditions in automotive markets.

Overseas Sales

(Hundred millions of yen)

	<u>FY2003</u>	<u>YF2004</u>
Net sales	113	143

Unit: Hundred millions of yen



◆ Sales grew for such products as transmitter, control valves, and electromagnetic flowmeters, particularly in China and other areas in Asia.

Sales in China increased 64%.

Sales in other areas in Asia increased 33%.



Balance Sheets

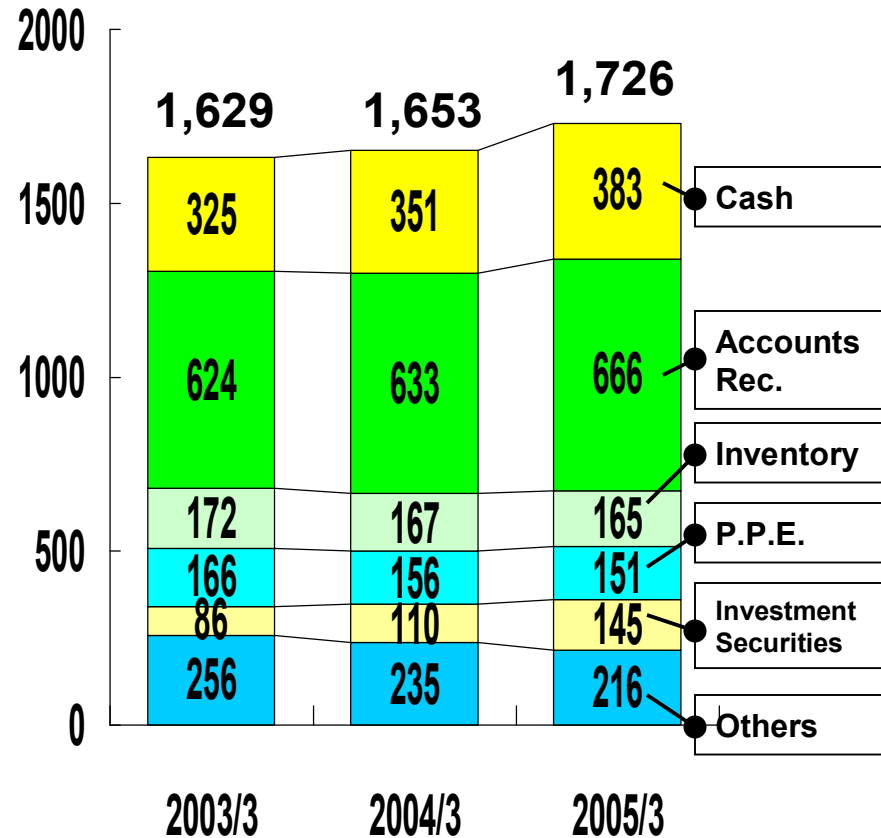
(Millions of yen)

Dif.

	<u>2003/3</u>	<u>2004/3</u>	<u>2005/3</u>	<u>(FY03-04)</u>	<u>% Change</u>
Cash	32,479	35,118	38,319	3,201	9.1
Accounts receivable	62,421	63,313	66,577	3,264	5.2
Inventories	17,247	16,662	16,455	(207)	(1.2)
Net P.P.E.	16,597	15,619	15,075	(544)	(3.5)
Investment securities	8,558	11,039	14,475	3,436	31.1
Others	25,617	23,513	21,685	(1,828)	(7.8)
Total Assets	162,919	165,264	172,586	7,322	4.4
Accounts pay. -trade	27,286	28,915	30,595	1,680	5.8
S.T. borrowings and L.T. debt	7,219	7,577	5,830	(1,747)	(23.1)
Liability for employees' retirement benefits	12,301	14,308	11,493	(2,815)	(19.7)
Others	23,938	18,543	24,310	5,767	31.1
Total liabilities	70,745	69,343	72,228	2,885	4.2
Minority interest	395	391	510	120	30.6
Shareholders' equity	91,779	95,530	99,848	4,318	4.5

Major Accounts on Balance Sheets

Unit: Hundred millions of yen



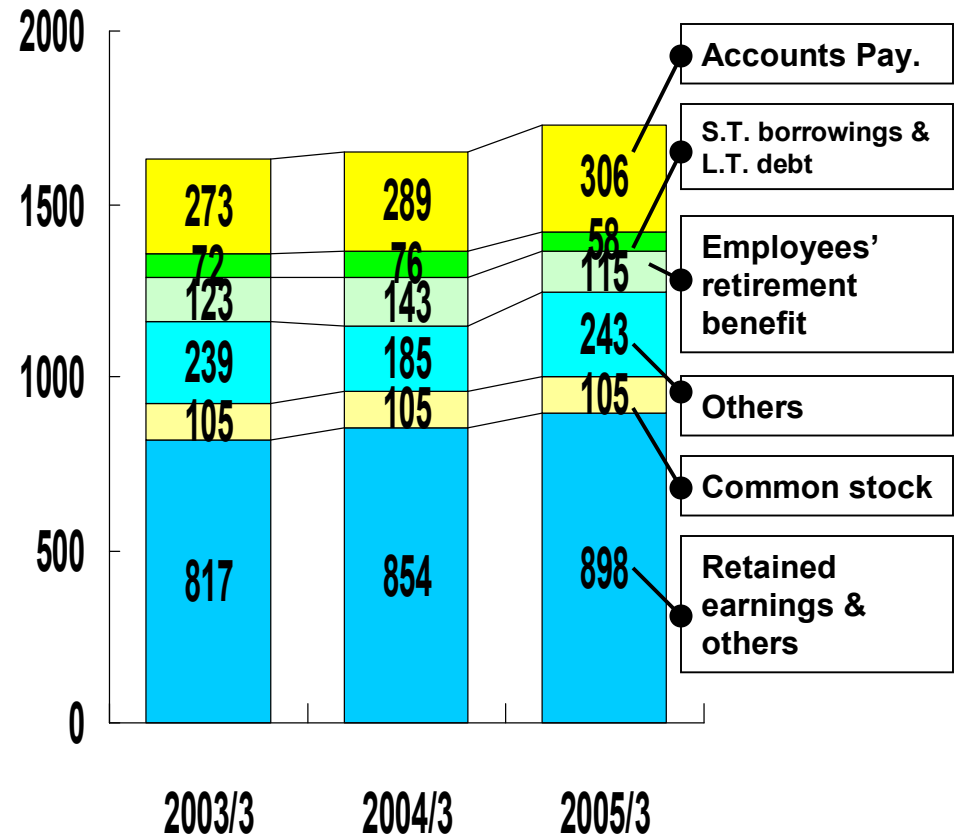
ATO

0.98 1.04 1.07

Fixed ratio

43.6 41.6 40.3

Unit: Hundred millions of yen



DER

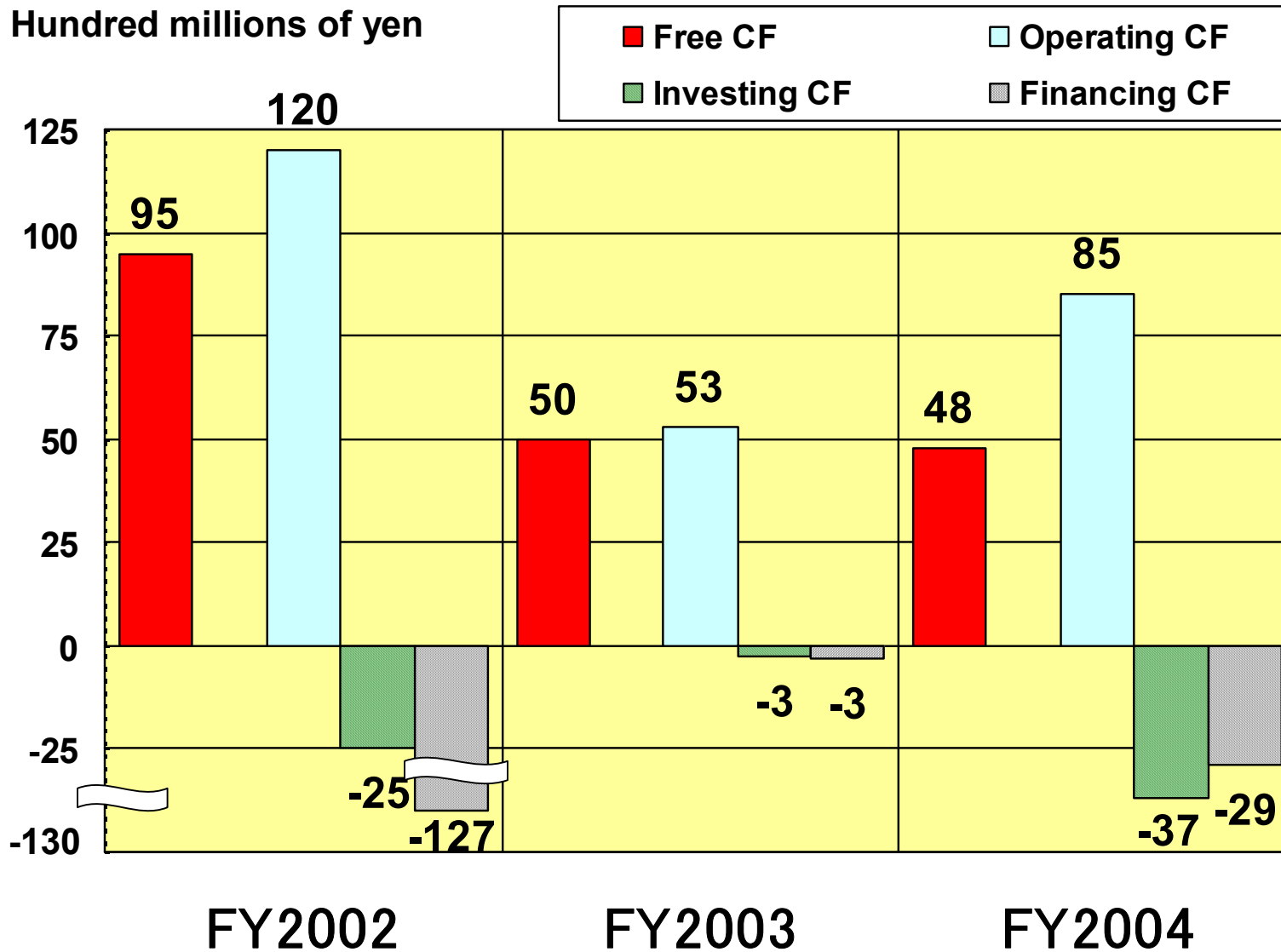
7.3 7.3 5.5

Shareholders' equity to total sales

56.3 57.8 57.9

Summary of Cash Flows

Unit: Hundred millions of yen





**Operating Plan for Fiscal Year 2005
Ending March 31, 2006**

Operating Plan for FY2005

(Millions of yen)

	FY2004	FY2005		<u>Total year</u>	Comparison in year	
	<u>Act.</u>	<u>1H est.</u>	<u>2H est.</u>		<u>Dif.</u>	<u>%</u>
Net sales	180,763	86,000	102,000	188,000	7,237	4.0
Op. income	9,353	3,200	8,300	11,500	2,147	23.0
%	5.2	3.7	8.1	6.1	0.9	
Recurring income	9,496	3,200	8,100	11,300	1,804	19.0
Net income	3,709	2,400	5,400	7,800	4,091	110.3
Total assets	172,586			180,000		
Shareholders' equity	99,848			105,192		
ROE	3.8			Over 7%		

Outlook for FY2005

- Sales are expected to increase in all business segments, particularly AA business.
Operating income is forecasted to grow 23%, due mainly to increased sales and improvement of cost to sales.
- BS business: Despite a drop in sales for office buildings in the market for new buildings, sales and income are expected to grow with the strengthening of sales in the markets for factories, existing buildings, services, security and overseas.
- AA business: Operating income is forecasted to increase by over 20% due to ongoing growth in the Products business, both domestic and international, as well as an increase in the Solution Service business.

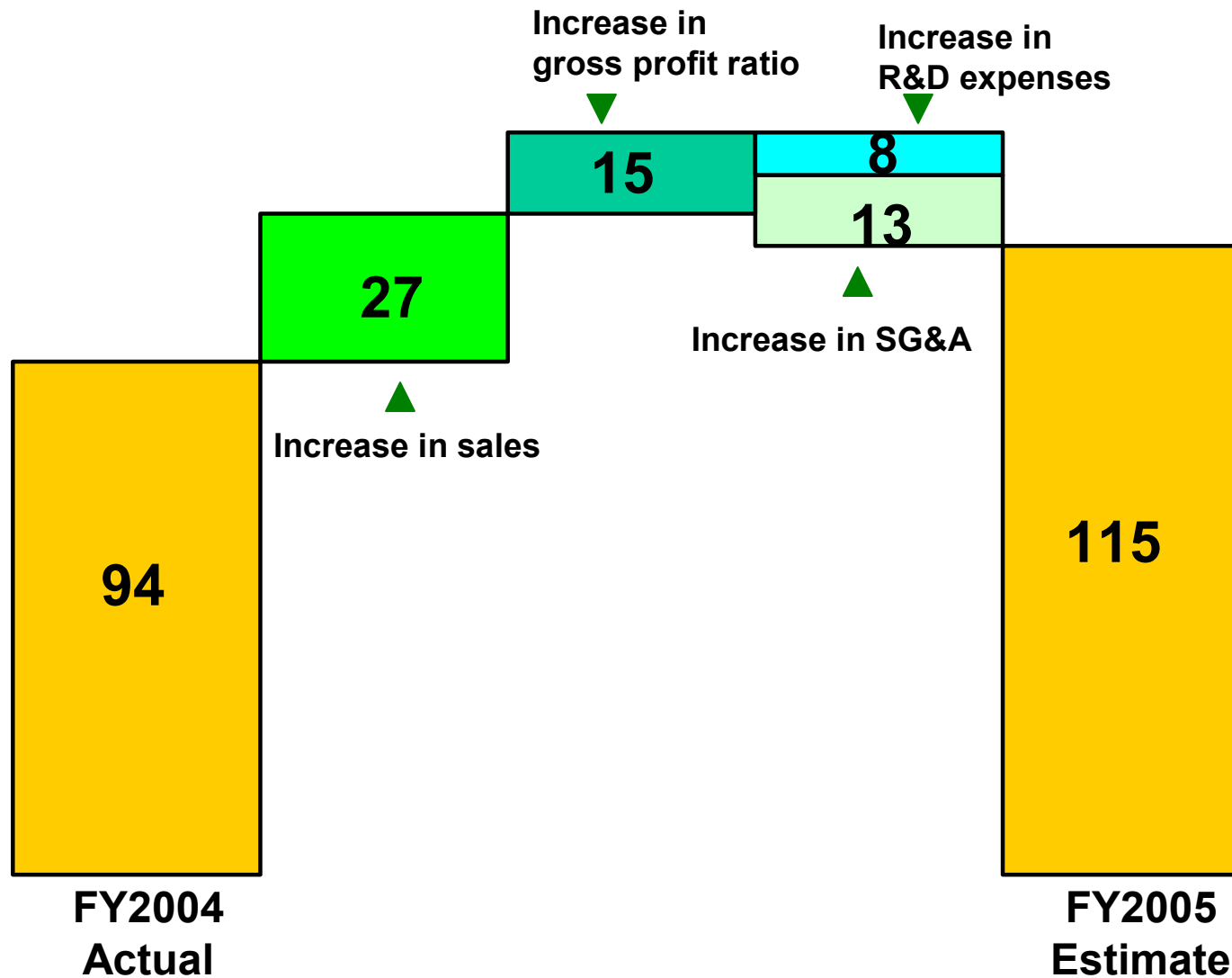
Forecasts by Segments

(Millions of yen)

		FY2004	FY2005		Comparison in year		
		<u>Act.</u>	<u>1H est.</u>	<u>2H est.</u>	<u>Total year</u>	<u>Dif.</u>	<u>% Change</u>
BS	Net sales	82,598	36,000	49,000	85,000	2,402	2.9
	Op. income	5,536	700	5,300	6,000	464	8.4
	%	6.7	1.9	10.8	7.1	0.4	
AA	Net sales	84,317	43,000	45,000	88,000	3,683	4.4
	Op. income	4,724	2,700	3,100	5,800	1,076	22.8
	%	5.6	6.3	6.9	6.6	1.0	
New& Other	Net sales	15,524	8,100	8,900	17,000	1,476	9.5
	Op. income	(934)	(200)	(100)	(300)	634	—
	%	(6.0)	(2.5)	(1.1)	(1.8)	4.3	
Consoli.	Net sales	180,763	86,000	102,000	188,000	7,237	4.0
	Op. income	9,353	3,200	8,300	11,500	2,147	23.0
	%	5.2	3.7	8.1	6.1	0.9	

Forecasts of Operating Income

Unit: Hundred millions of yen



Estimate for Non-operating Income & Expenses

(Millions of yen)

	<u>FY2004</u>	<u>FY2005</u>	<u>Dif.</u>	<u>% Change</u>
Operating income	9,353	11,500	2,147	23.0
Non-op. income	476	200	(276)	(58.0)
Non-op. expenses	333	400	67	20.2
Reccuring income	9,496	11,300	1,804	19.0
Extra. gain	105	3,200	3,095	2,933.7
Extra. loss	3,832	1,400	(2,432)	(63.5)
Income before income taxes and minority interest	5,769	13,100	7,331	127.1
Income taxes and minority interest	2,060	5,300	3,240	157.3
Net income	3,709	7,800	4,091	110.3

The logo for Yamatake, featuring the word "YAMATAKE" in a bold, green, sans-serif font. The letter "Y" is stylized with a diagonal slash through it.

Reference Data

Order & Backlog

(Millions of yen)

	FY2002 <u>Act.</u>	FY2003 <u>Act.</u>	FY2004 <u>Act.</u>	Dif. <u>(FY03-04)</u>	<u>%</u>	FY2005 <u>Est.</u>
BS						
Order	78,549	73,684	77,138	3,454	4.7	86,500
Backlog	36,095	30,882	25,422	(5,460)	(17.7)	27,000
AA						
Order	74,606	79,289	86,230	6,941	8.8	91,000
Backlog	20,348	21,629	23,543	1,914	8.8	26,500
New & Other						
Order	13,117	14,642	15,195	553	3.8	17,500
Backlog	1,610	1,721	1,392	(329)	(19.1)	1,900
Consoli.						
Order	164,103	165,698	176,707	11,009	6.6	193,000
Backlog	57,879	54,046	50,000	(4,046)	(7.5)	55,000

Other Reference Data

	(Millions of yen)					
	FY2002	FY2003	FY2004	Dif.		FY2005
	Act.	Act.	Act. (FY03-04)		%	Est.
● Capital investments						
Yamatake	1,803	1,695	2,018	323	19.0	5,000
Consoli. Sub.	262	371	443	72	19.3	500
Total	2,065	2,066	2,460	394	19.1	5,500
● Depreciation						
Yamatake	2,326	2,029	1,946	(83)	(4.1)	2,300
Consoli. Sub.	329	357	345	(12)	(3.3)	400
Total	2,655	2,386	2,291	(95)	(4.0)	2,700
● Research & development cost						
	8,881	8,099	8,170	71	0.9	9,000
Ratio to Net sales	5.3%	4.8%	4.5%	(0.3%)		4.8%
● Employees						
Yamatake	6,179	6,128	6,126	(2)		
Domest. Consoli. Sub.	1,035	1,184	1,172	(12)		
Total	7,214	7,312	7,298	(14)		7,200
	* (7,370)	(7,312)	(7,298)	(-58)		

◆ Yamatake Care-Net was newly consolidated in FY2003, which increased the number of employees by 156.

* () shows adjusted number of employees including Yamatake Care-Net for comparison purposes only.