



Consolidated Financial Results

for Fiscal Year 2005 ended March 31, 2006 and

Operating Plan

for Fiscal Year 2006 ending March 31, 2007

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.



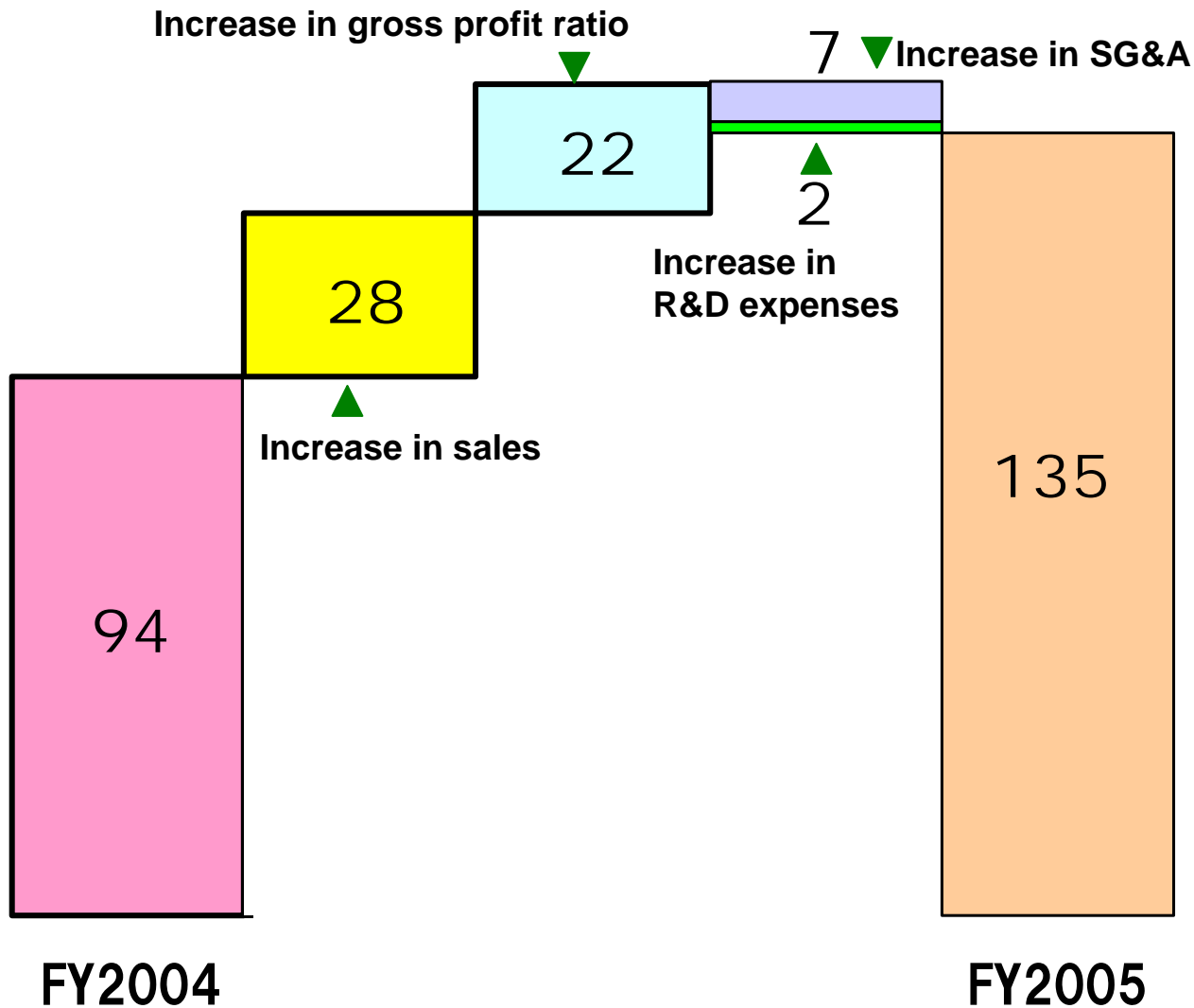
Operating Results for FY2005

Operating Results

	FY2004 (2005/3)			FY2005 (2006/3)			(Millions of yen)	
	<u>1H</u>	<u>2H</u>	<u>Total year</u>	<u>1H</u>	<u>2H</u>	<u>Total year</u>	Comparison in year	
								<u>%</u>
Orders	96,234	80,473	176,707	105,311	89,984	195,295	18,588	10.5
Net Sales	80,789	99,974	180,763	84,534	103,787	188,321	7,558	4.2
Gross profit	30,560	37,194	67,754	33,761	39,008	72,769	5,015	7.4
%	37.8	37.2	37.5	39.9	37.6	38.6		
Op. income	1,650	7,702	9,353	4,058	9,457	13,515	4,162	44.5
%	2.0	7.7	5.2	4.8	9.1	7.2		
Recurring income	1,831	7,664	9,495	4,294	9,644	13,938	4,443	46.8
Net income	(1,260)	4,968	3,708	3,877	5,918	9,795	6,087	164.2
Total assets			172,586			217,882	45,296	26.2
Shareholders' equity			99,848			110,859	11,011	11.0
Order backlog			49,990			56,965	6,975	14.0

Change in Operating Income

Unit: Hundred millions of yen



Non-operating Income & Expenses

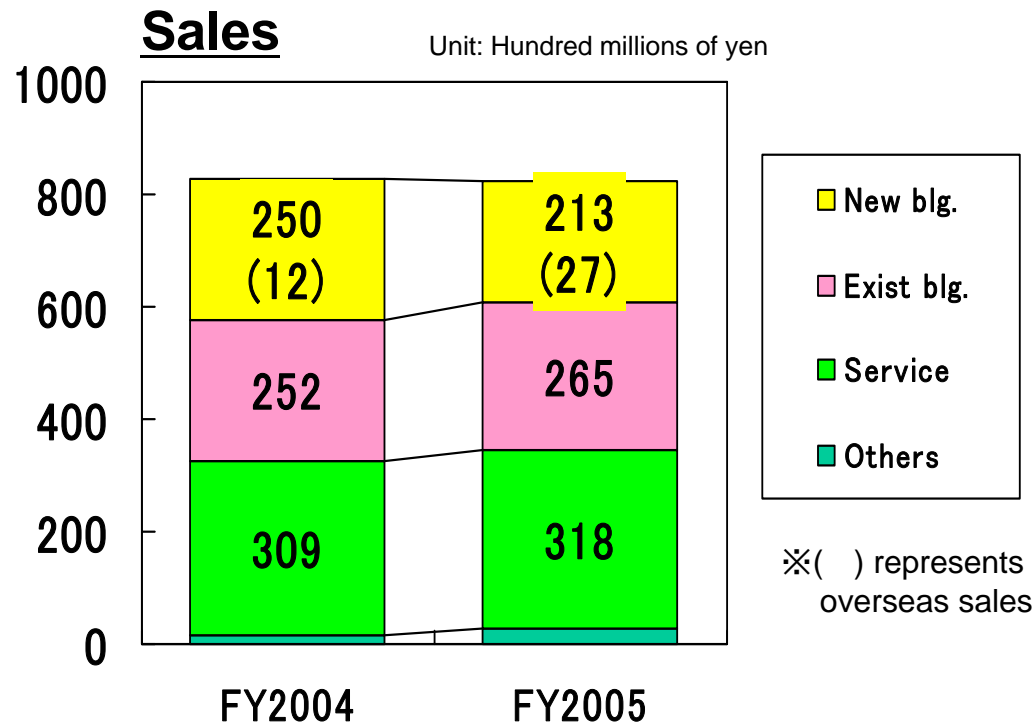
	(Millions of yen)			
	<u>FY2004</u>	<u>FY2005</u>	<u>Dif.</u>	<u>% Change</u>
Operating income	9,353	13,515	4,162	44.5
Non-op. income	475	623	148	31.2
Non-op. expenses	332	199	(133)	(40.1)
Reccuring income	9,496	13,939	4,443	46.8
Extra. gain	105	3,262	3,157	3006.7
Extra. loss	3,832	1,550	(2,282)	(59.6)
Income before income taxes and minority interest	5,769	15,651	9,882	171.3
Income taxes and minority interest	2,060	5,856	3,796	184.3
Net income	3,709	9,795	6,086	164.1

Sales and Income by Business Segments

		FY2004			FY2005			(Millions of yen)	
		<u>1H</u>	<u>2H</u>	<u>Total year</u>	<u>1H</u>	<u>2H</u>	<u>Total year</u>	Comparison in year	
									<u>%</u>
BA	Net sales	34,606	47,992	82,598	33,096	49,073	82,169	(429)	(0.5)
	Op. income	420	5,117	5,536	560	5,902	6,462	926	16.7
	%	1.2	10.7	6.7	1.7	12.0	7.9		
AA	Net sales	39,180	45,137	84,317	44,873	48,113	92,986	8,670	10.3
	Op. income	1,705	3,019	4,724	3,769	3,715	7,484	2,760	58.4
	%	4.4	6.7	5.6	8.4	7.7	8.0		
New & Other	Net sales	7,750	7,774	15,524	7,362	7,631	14,993	(531)	(3.4)
	Op. income	(490)	(444)	(934)	(328)	(154)	(482)	452	—
	%	(6.3)	(5.7)	(6.0)	(4.5)	(2.0)	(3.2)		
Consoli.	Net sales	80,789	99,974	180,763	84,534	103,787	188,321	7,558	4.2
	Op. income	1,650	7,702	9,353	4,058	9,457	13,515	4,162	44.5
	%	2.0	7.7	5.2	4.8	9.1	7.2		

Building Automation Business

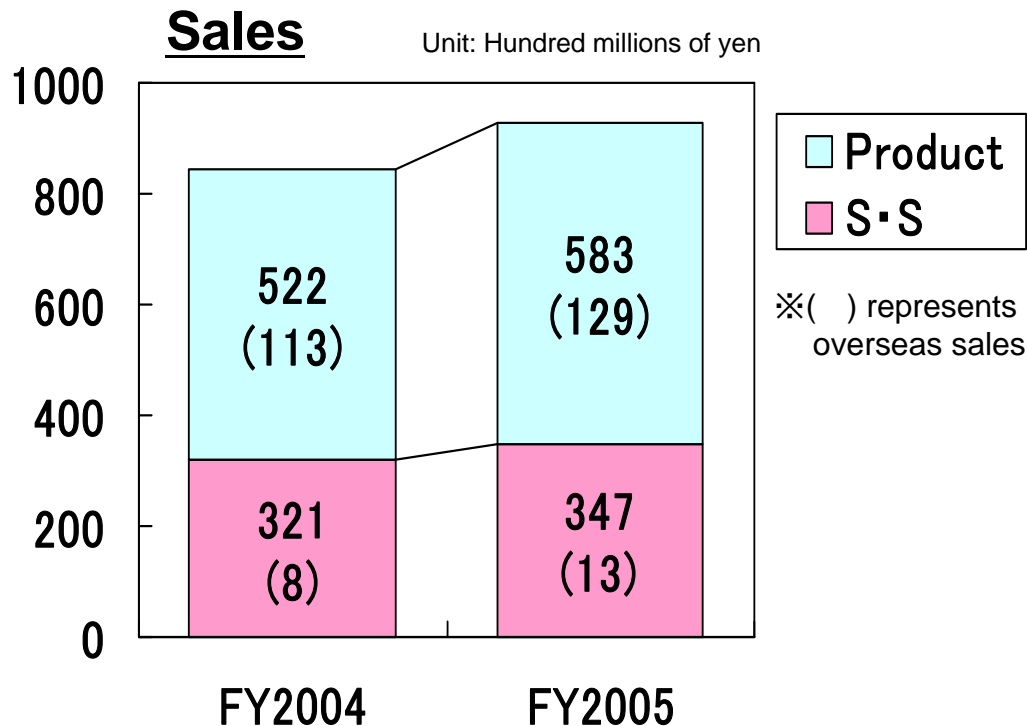
	<u>FY2004</u>	<u>FY2005</u>	(Millions of yen)	
			<u>Dif.</u>	<u>% Change</u>
BA Net sales	82,598	82,169	(429)	(0.5)
Op. income	5,536	6,462	926	16.7
%	6.7	7.9		
Orders	77,138	85,980	8,842	11.5
Order backlog	25,422	29,234	3,812	15.0



- ✚ **New buildings:** Sales fell due to the decrease in orders backlog at the beginning of FY2005 reflecting market conditions, however, orders increased.
- ✚ **Existing buildings:** Although renewal orders fell slightly, sales in the ESCO business grew by 1.6 billion yen, resulting in a 1.3 billion yen increase overall.
- ✚ Sales in the service and other businesses continued to be bullish.

Advanced Automation Business

	<u>FY2004</u>	<u>FY2005</u>	(Millions of yen)	
			<u>Dif.</u>	<u>% Change</u>
AA Net sales	84,317	92,986	8,669	10.3
Op. income	4,724	7,484	2,760	58.4
%	5.6	8.0		
Orders	86,230	95,735	9,505	11.0
Order backlog	23,543	26,292	2,749	11.7



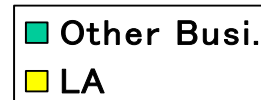
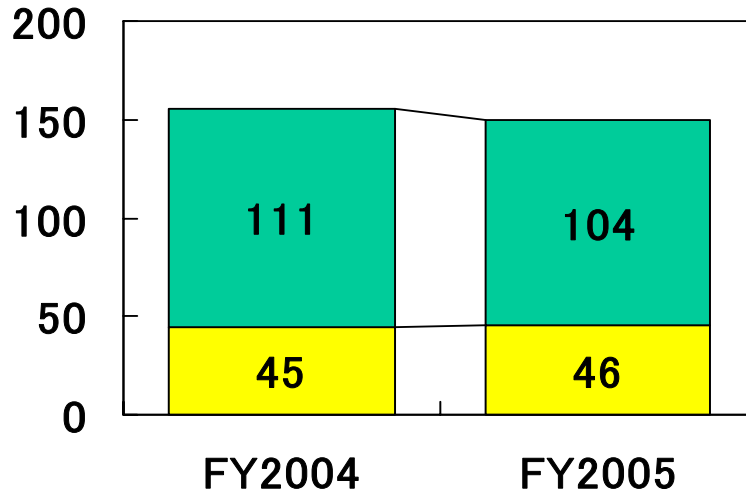
- ✚ Owing to robust capital investment in the domestic manufacturing industry overall, sales in the product business grew by 4.5 billion yen, and sales of solution services (SS) increased by 2.1 billion yen.
- ✚ In overseas markets, in China and other regions of Asia, sales in the product business increased by 1.6 billion yen, and sales of SS grew by 0.5 billion yen.

New & Other Businesses

	(Millions of yen)			
	<u>FY2004</u>	<u>FY2005</u>	<u>Dif.</u>	<u>% Change</u>
Net sales	15,524	14,993	(531)	(3.4)
Op. income	(934)	(482)	452	—
%	(6.0)	(3.2)		
Orders	15,195	15,366	171	1.1
Order backlog	1,392	1,765	373	26.8

Sales

Unit: Hundred millions of yen



- ✚ Sales grew in Life Automation's life care field.
- ✚ Sales of inspection and measurement equipment and industrial equipment fell.

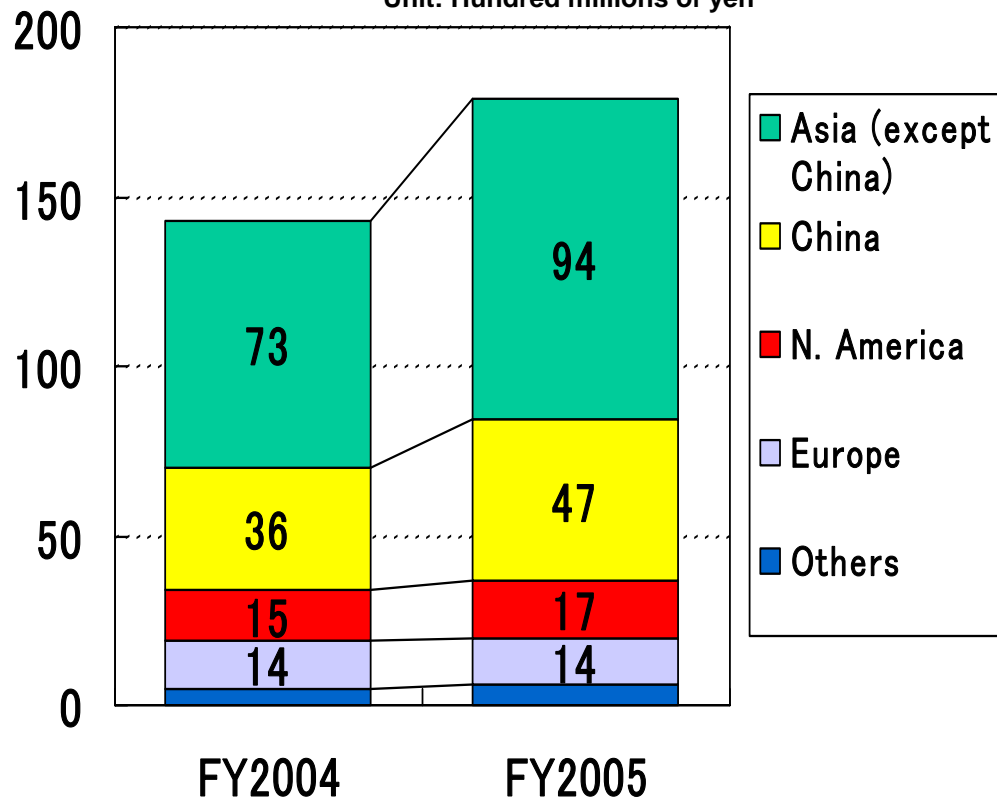
Overseas Sales

(Hundred millions of yen)

<u>FY2004</u>	<u>YF2005</u>
143	179

Sales

Unit: Hundred millions of yen



- ✚ Sales in China and Asia increased 3.2 billion yen.
- ✚ Sales in AA product business continued to grow, while sales in BA business doubled.

Balance Sheets

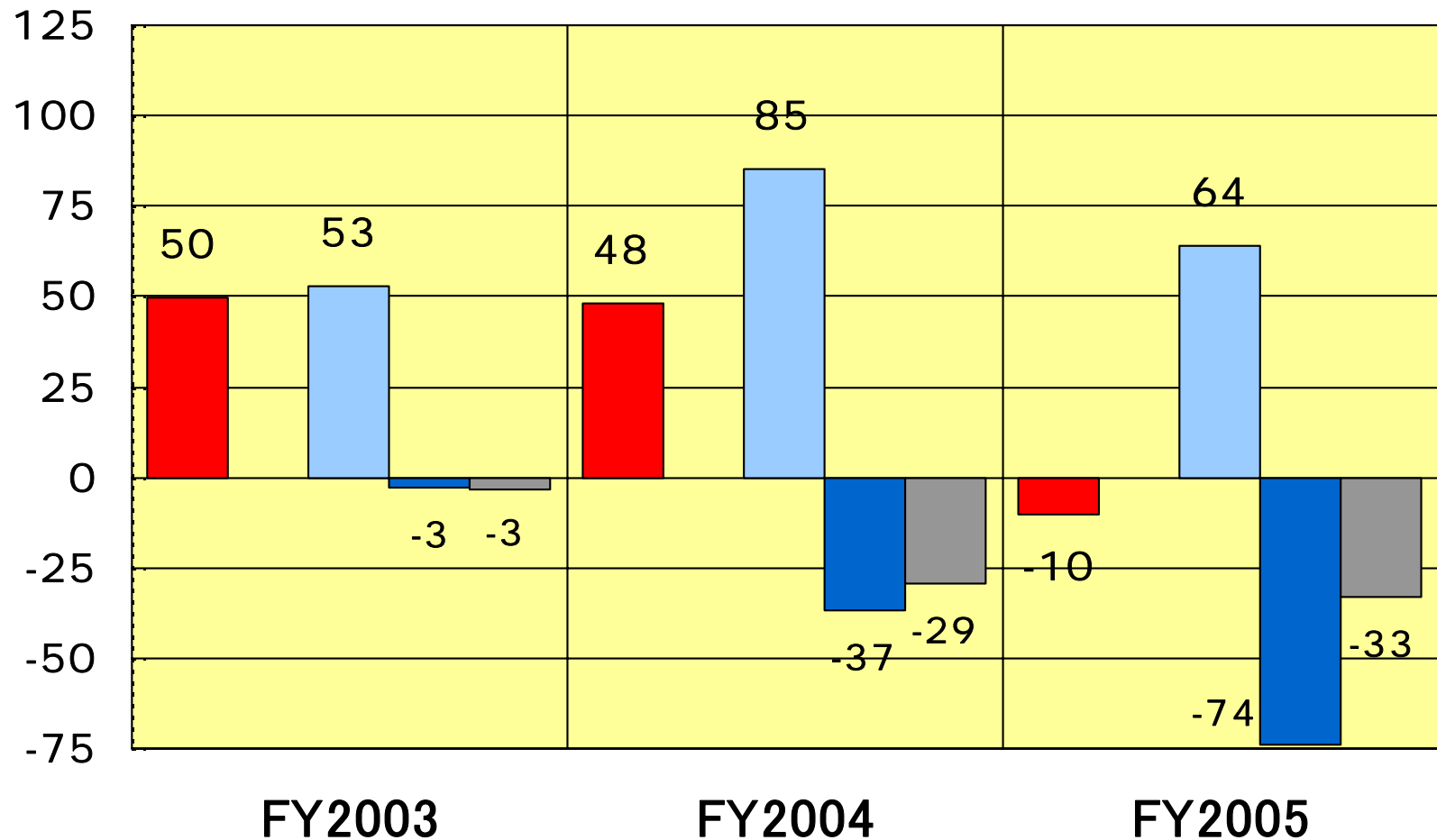
(Millions of yen)

	A	B	FY2005(2006/3)		
	<u>FY2004(2005/3)</u>	<u>FY2005(2006/3)</u>	<u>FY2005(2006/3)</u>	<u>(B-A) Dif.</u>	<u>% Change</u>
			Consolidated Kimmon		
Cash	38,319	26,079	28,381	(12,240)	(31.9)
Accounts receivable	66,577	73,404	79,509	6,827	10.3
Inventories	16,455	17,137	21,248	682	4.1
Net P.P.E.	15,075	18,468	31,024	3,393	22.5
Investment securities	14,475	29,776	23,576	15,302	105.7
Others	21,685	23,704	34,146	2,018	9.3
Total Assets	172,586	188,568	217,882	15,982	9.3
Accounts pay. -trade	30,595	33,600	38,689	3,005	9.8
S.T. borrowings and L.T. debt	5,830	4,870	21,870	(960)	(16.5)
Liability for employees' retirement benefits	11,493	11,777	16,270	284	2.5
Others	24,309	26,780	29,513	2,471	10.2
Total liabilities	72,227	77,027	106,341	4,800	6.6
Minority interest	510	682	682	172	33.7
Shareholders' equity	99,848	110,859	110,859	11,011	11.0

Summary of Cash Flows

FCF Operating CF Investing CF Financing CF

Unit: Hundred millions of yen





**Operating Plan for Fiscal Year 2006
Ending March 31, 2007**

Operating Plan for FY2006

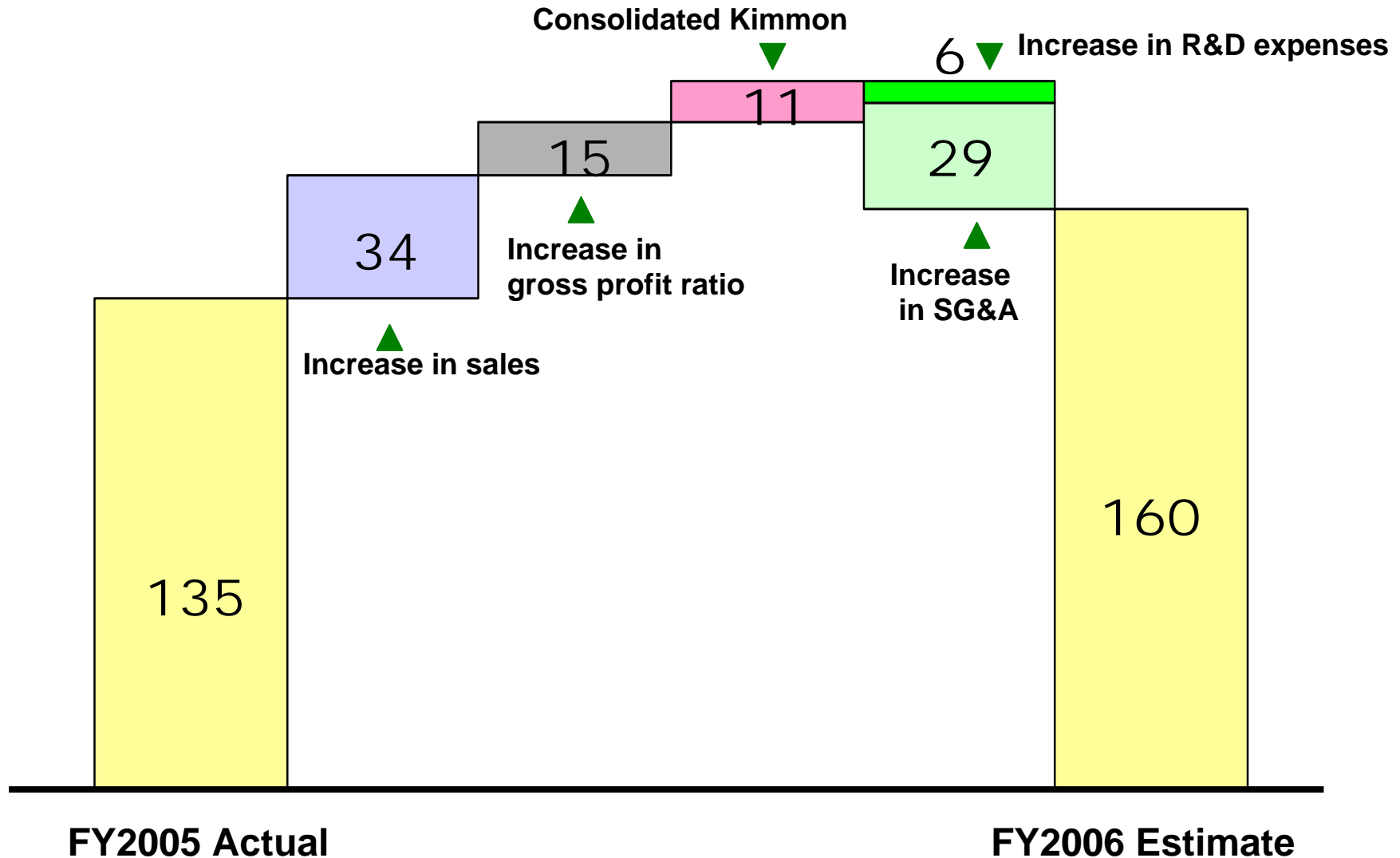
(Millions of yen)

	FY2005		FY2006		Comparison in year	
	<u>Act.</u>	<u>1H est.</u>	<u>2H est.</u>	<u>Total year</u>	<u>Dif.</u>	<u>%</u>
Net sales	188,321	104,500	125,500	230,000	41,679	22.1
Op. income	13,515	5,000	11,000	16,000	2,485	18.4
%	7.2	4.8	8.8	7.0		
Recurring income	13,939	4,800	10,700	15,500	1,561	11.2
Net income	9,795	2,200	6,800	9,000	(795)	(8.1)
Total assets	217,882			224,000	6,118	2.8
Shareholders' equity	110,859			116,000	5,141	4.6
ROE	9.3			7.9		

Key points of the forecasts for fiscal year 2006

- Net sales are forecasted to rise 41.7 billion yen due to increased sales of BA and AA businesses as well as the effect of the newly consolidated Kimmon Manufacturing Co., Ltd.
- Despite higher expenses, operating income is forecasted to rise 2.5 billion yen owing to increased sales and improvement in the cost of sales and other factors.
- BA business: sales and profits are forecasted to increase due to continued brisk performance in the factory HVAC market, as well as increased sales in the market for new buildings and cost reduction.
- AA business: Sales and profits are forecasted to increase with continued growth of the products business in both domestic and overseas markets, and an improvement in the cost of sales.

Forecasts of Operating Income



Estimate for Non-operating Income & Expenses

(Millions of yen)

	<u>FY2005</u>	<u>FY2006</u>	<u>Dif.</u>	<u>% Change</u>
Operating income	13,515	16,000	2,485	18.4
Non-op. income	624	200	(424)	(67.9)
Non-op. expense	200	700	500	250.7
Reccuring income	13,939	15,500	1,561	11.2
Extra. gain	3,262	0	(3,262)	(100.0)
Extra. loss	1,551	1,200	(351)	(22.6)
Income before income taxes and minority interest	15,650	14,300	(1,350)	(8.6)
Income taxes and minority interest	5,855	5,300	(555)	(9.5)
Net income	9,795	9,000	(795)	(8.1)

Forecasts by Segments

(Millions of yen)

		FY2005	FY2006			Comparison in year	
		<u>Act.</u>	<u>1H est.</u>	<u>2H est.</u>	<u>Total year</u>	<u>Dif.</u>	<u>% Change</u>
BA	Net sales	82,169	35,500	50,500	86,000	3,831	4.7
	Op. income	6,462	800	6,100	6,900	438	6.8
	%	7.9	2.3	12.1	8.0		
AA	Net sales	92,986	45,500	51,500	97,000	4,014	4.3
	Op. income	7,484	3,700	4,300	8,000	516	6.9
	%	8.0	8.1	8.3	8.2		
LA	Net sales	4,554	19,000	19,000	38,000	33,446	734.4
	Op. income	(693)	400	400	800	1,493	—
	%	(15.2)	2.1	2.1	2.1		
Other	Net sales	10,439	5,600	5,900	11,500	1,061	10.2
	Op. income	211	100	200	300	89	42.2
	%	2.0	1.8	3.4	2.6		
Consoli.	Net sales	188,321	104,500	125,500	230,000	41,679	22.1
	Op. income	13,515	5,000	11,000	16,000	2,485	18.4
	%	7.2	4.8	8.8	7.0		

The logo for Yamatake, featuring a stylized green 'Y' symbol followed by the word 'YAMATAKE' in a bold, green, sans-serif font.

Reference Data

Order & Backlog

(Millions of yen)

	FY2004	FY2005			FY2006
	<u>Act.</u>	<u>Act.</u>	<u>Dif.</u>	<u>%</u>	<u>Est.</u>
BA					
Order	77,138	85,980	8,842	11.5	90,000
Backlog	25,422	29,234	3,812	15.0	33,234
AA					
Order	86,230	95,735	9,505	11.0	99,000
Backlog	23,543	26,292	2,749	11.7	28,292
LA					
Order		4,909	4,909		38,500
Backlog		851	851		1,351
Other					
Order	15,195	10,457	(4,738)	(31.2)	12,000
Backlog	1,392	914	(478)	(34.3)	1,414
Consoli.					
Order	176,707	195,295	18,588	10.5	237,000
Backlog	50,000	56,965	6,965	13.9	63,965

Other Reference Data

	(Millions of yen)				
	FY2004 Act.	FY2005 Act.	Dif.	%	FY2006 Est. ※2
●Capital investments					
Yamatake	2,018	5,960	3,942	195.3	5,000
Consoli. Sub.	443	830	387	87.4	1,500
Total	2,461	6,790	4,329	175.9	6,500
●Depreciation					
Yamatake	1,946	1,985	39	2.0	2,300
Consoli. Sub.	345	367	22	6.2	1,700
Total	2,291	2,352	61	2.6	4,000
●Research & development cost					
SG&A expenses	8,170	8,360	190	2.3	9,000
●Employees					
Yamatake	6,126	6,074	(52)		6,050
Domest. Consoli. Sub.	1,172	1,170	(2)		2,650
Total	7,298	7,244 ※1	(54)		8,700

※1 Two oversea subsidiaries were newly consolidated in FY2005, which increased the number of employees by 40.

※2 FY06 estimate includes Kimmon's figures.