

Consolidated Financial Results for the Third Quarter Ended December 31, 2008

1. Performance for the Third Quarter Ended Dec. 31, 2008 (from Apr. 1, 2008 to Dec. 31, 2008)

- The Japanese financial accounting standards are applied for this quarterly statement of accounts.
- Amounts indicated are rounded down.
- Percentage shows the increase/(decrease) from the 3rd quarter of the previous fiscal year.

(1) Consolidated operating results for nine-month period

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

	Sales		Operating income		Ordinary income		Net income	
Nine months ended Dec. 31, 2008	158,990	-	6,656	-	6,304	-	2,887	-
Nine months ended Dec. 31, 2007	166,691	9.6%	8,441	46.5%	8,721	40.8%	3,779	17.6%

	Net income per share (Yen)
Nine months ended Dec. 31, 2008	38.66
Nine months ended Dec. 31, 2007	51.38

(2) Financial Position

(Millions of yen, except for per share figures)

	Total assets	Net assets	Shareholders' equity to net assets (%)	Net assets per share (Yen)
As of Dec. 31, 2008	214,359	120,065	55.3%	1,605.65
As of Mar. 31, 2008	228,843	121,721	52.6%	1,641.73

2. Dividends per Share

	Dividends per share (Yen)				
	1Q	2Q	3Q	4Q	Fiscal year
Fiscal 2007	-	30.00	-	30.00	60.00
Fiscal 2008	-	31.00	-		62.00
Fiscal 2008 (Estimate)				31.00	

3. Forecast for Fiscal 2008 (April 1, 2008 to March 31, 2009)

Percentage shows the increase/(decrease) from the previous fiscal year.

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2009	237,000	(4.6)	16,500	(19.5)	16,000	(21.6)	8,300	(22.5)	111.12



* 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.

4. Other

(1) Change in scope of consolidation: None

(2) Simplified accounting method or special method for preparing quarterly consolidated financial statements adopted: None

(3) Changes in accounting principles and procedures:

1. Effective from the fiscal year ending March 31, 2009, the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and its Implementation Guidance, "Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No. 14) have been applied. Quarterly consolidated financial statements have been prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".
2. Previously, a cost method mainly based on the specific identification method was adopted for measuring inventories held for sale in the ordinary course of business. However, effective from the first quarter ended June 30, 2008, the "Accounting Standard for Measurement of Inventories"(ASBJ Statement No. 9) has been applied, and these inventories are measured by means of the cost method mainly based on specific identification method, which evaluates the amount of the inventories shown on the balance sheet by writing them down based on their decrease in profitability. There is no material effect for Gross profit, Operating income, Ordinary income and Income before income taxes.
3. Effective from the first quarter ended June 30, 2008, the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"(ASBJ PITF No. 18) has been applied, and accordingly some revisions are made to the consolidated accounts as necessary. There is no material effect for Gross profit, Operating income, Ordinary income and Income before income taxes.
4. Previously finance leases that do not deem to transfer ownership of the leased property to the lessee were treated as rental transaction. From the fiscal year beginning April 1, 2008, however, companies are able to apply "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, issued March 30, 2007), and "Guidance on Accounting Standard for Lease Transactions," (ASBJ Guidance No.16, issued March 30, 2007). From the first quarter, the Company has applied this standard, treating such leases as common sales transactions. In addition, lease assets that do not deem to transfer ownership of the leased property to the lessee are depreciated using the straight-line method over the period of the lease, with zero residual value. There is no material effect for Gross profit, Operating income, Ordinary income and Income before income taxes.

(Supplementary information)

From the first quarter, accompanying revisions in Japan's income tax law in fiscal 2008, the Company and its domestic consolidated subsidiaries have reviewed the useful lives of their machinery and equipment. As a result, the useful lives of machinery and equipment included among property, plant and equipment have been changed. As a result Gross profit decreased by 152 million yen, Operating income, Ordinary income and income before income taxes decreased by 170 million yen, respectively. The effects of the change on segment information are described in the relevant sections.



(4) Number of shares issued(common stock)

1. Number of shares outstanding(including treasury stocks)

December 31, 2008	75,116,101 shares
March 31, 2008	73,576,256 shares
2. Treasury stocks at fiscal year end

December 31, 2008	1,260,806 shares
March 31, 2008	258,935 shares
3. Weighted average number of shares outstanding

December 31, 2008	74,693,096 shares
December 31, 2007	73,567,600 shares

Any inquiry relating to these statements should be made to:
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1. Consolidated financial results: qualitative information

In the third quarter consolidated cumulative period, despite the downward trend in energy and raw material prices, the sudden cooling off of the world's economy by the effect of the financial crisis originating in the US has caused in particular the sharp drop in exports from the fall season as well as the curbing of capital investments in Japan. As a result, the domestic business environment experienced a sudden and drastic slowdown.

Moreover, from the fall season the global economy showed a clear trend towards a slowdown, even in Asian countries such as China; while in Europe and the US, the financial crisis caused by the subprime loan issue sparked serious consequences that drove the economy into a steeper downward spiral.

This volatile economic environment also affected the three core businesses operated by the azbil Group. The Advanced Automation business in particular, which provides various types of automation products and systems for factories and plants, faced a sudden decline in capital investments in both domestic and overseas manufacturing industries from October 2008.

Amidst this economic environment, sales for the third quarter consolidated cumulative period were 158,990 million yen, a decline of 4.6% on the same period last year. This was the result of the completion of construction work concentrating in this fourth quarter for the Building Automation business, as well as the steep decline in both domestic and overseas capital investments in the Advanced Automation business.

As for profits, various measures for improving efficiency and cost reduction were implemented, for example, reorganization of manufacturing functions and reallocation of human resources within the Group.

However, as a result of the decline in sales on the same period last year, operating income was 6,656 million yen, a decline of 21.1% on the same period last year, and ordinary income was 6,304 million yen, a decline of 27.7% on the same period last year. Net income was 2,887 million yen a decline of 23.6% on the same period last year.

The third quarter financial results for the azbil Group's business segments are as follows.

Building Automation Business

Domestically, in the market for new buildings, business remained steady due to a large volume of orders backlog for construction at the end of the last fiscal year. However, the completion of redevelopment projects for large-scale commercial buildings and other projects for new large-scale production facilities is concentrated in this fourth quarter, resulting in a decline in sales on the same period last year.

In the market for existing buildings, there is still a strong demand for refurbishment for energy conservation and CO2 emissions reduction. However, large-scale projects for ESCO focused on the first half of the last fiscal year, resulting in a decline in sales on the same period last year.

On the other hand, the service business, which is increasing the number of fixed-term contracts, steadily increased sales by providing services to meet market needs such as for energy conservation.

In the security business, business remained steady, thanks to underlying demand for building safety and security, data protection and internal controls. However, large-scale projects for financial institutions in the first half of the previous fiscal year resulted in a decline in sales on the same period last year.

In International business, new subsidiaries and branches were established in Dubai, Vietnam and Australia, and business was aggressively expanded. However, affected by the strong Japanese



yen. Overseas sales remained at the same level as the same period last year.

The market environment is relatively favorable but the sudden deterioration in the business climate from the fall season had the effect of delaying construction of new production facilities and reducing the scale of energy-saving refurbishment. These factors led to a decline in orders.

Consequently, sales for the Building Automation business were 59,452 million yen, a decline of 6.4% on the same period last year, and operating income was 3,772 million yen, a decline of 1.4% on the same period last year due to the decline in sales despite implementing cost reduction measures and improving the profit structure.

Advanced Automation Business

On the domestic scene, effects from the global recession have resulted in a sudden decline in capital investments from the fall season in the manufacturing industry overall. Therefore, even though sales in the solution services business such as systems sales for production plants maintained the same levels of sales as last year, there was a large decline in sales for the products business, which provides to products to assembly lines of semiconductors, automobiles and machine tools, etc. In terms of orders from the fall season, the trend was towards a sharp decline in capital investments totals not only in semiconductors, automobiles and machine tools, but also in the raw material industry, such as chemicals. These consequences affected areas of relatively steady investments for safe and stable operation of existing factories and plants as well as for energy-saving and environmental improvements, leading to a decline in orders.

In International business, there was a growing trend towards a slowdown in the comparatively robust Chinese and Southeast Asian markets; although sales increased in local currencies, the effects of the strong yen suppressed sales at the same level as the same period last year.

Consequently, sales for the Advanced Automation business were 67,575 million yen, a decline of 5.0% on the same period last year. Operating income was 3,220 million yen, a decline of 33.9% on the same period last year due to the decline in sales despite implementing such measures as reorganizing the production framework, reallocating human resources and cost reduction.

Life Automation Business

The Life Automation business is comprised of several fields in different business environments. Kimmon Manufacturing Co., Ltd. plays a central role in the Lifeline field and accounts for most of the sales. The recovery in demand for town gas and LP gas meters was weaker than anticipated, and new demand is slowing due to companies withholding on capital investments and a decline in the number of new home constructions. Sales therefore decreased, but results from the implementation of the Kimmon-Yamatake Jump-up Plan, aimed at reinforcing the business infrastructure and improving the profit structure of Kimmon, has been successful in improving profits.

On the other hand, the business environment facing the Life Assist field, consisting of nursing care and emergency dispatch services, continues to be challenging owing to such factors as budgetary cutbacks by local governments and revisions to the Nursing-Care Insurance Law. Despite this, it was possible to ensure a profit by increasing the number of contracts and expanding services.

Consequently, sales for the Life Automation business were 26,999 million yen, a decline of 0.8% on the same period last year, and operating loss was 260 million yen.



Other Businesses

Sales for other businesses, including importing, buying-in and marketing of inspection and measurement equipment, were 5,983 million yen, a decline of 4.1% on the same period last year. Operating loss was 79 million yen.

*Comparisons with the same period last year in this summary are listed as reference information.



2. Consolidated financial position: qualitative information

(Assets)

At the end of the third quarter of the current consolidated accounting period, assets declined by 14,484 million yen compared with the end of the previous consolidated accounting period. Total assets stood at 214,359 million yen. The main factors affecting assets were as follows.

Cash and deposits: a decrease of 9,200 million yen mainly connected to the payment for cash dividends and bonuses.

Notes and accounts receivable-trade: a decrease of 19,497 million yen mainly connected to the calling-in of accounts receivable-trade.

Short-term investment securities: an increase of 6,929 million yen mainly due to the purchase of short-term investment securities.

Cost on uncompleted construction contracts: an increase of 6,542 million yen mainly due to the completion of construction work concentrating in this fourth quarter of the current accounting period.

(Liabilities)

Total liabilities at the end of the third quarter of the current consolidated accounting period fell by 12,828 million yen compared with the end of the previous consolidated accounting period. Total liabilities stood at 94,294 million yen. The main factors affecting liabilities were as follows.

Notes and accounts payable-trade: a decrease of 6,118 million yen as a result of defraying trade notes and accounts payable-trade.

Income taxes payable: a decrease of 5,488 million yen as a result of paying corporate tax.

Provision for bonuses: a decrease of 4,585 million yen as a result of bonus payment.

(Net assets)

Total net assets at the end of this third quarter of the consolidated accounting period stood at 120,065 million yen, a decrease of 1,655 million yen compared with the end of the previous consolidated accounting period.

This principally reflects a decrease in valuation difference on available-for-sale securities of 2,082 million yen due to the slide of the stock market, and a decrease of 1,974 million yen due to the purchase of treasury stock, although capital surplus grew by 4,550 million yen following the share exchange with Kimmon Manufacturing Co., Ltd.

As a consequence, Yamatake's shareholders' equity relative to net assets grew from 52.6% at the end of the previous consolidated accounting period to 55.3%. Net assets per share fell from 1,641.73 yen to 1,605.65 yen.

(Cash flow)

(1) Cash flow from operating activities

Net cash provided by operating activities in the third quarter of the current consolidated accounting period was 7,033 million yen. The main factors involved are as follows.

Increase: inflows (of 19,487 million yen) from a decrease in accounts receivable-trade.

Decrease: increase in inventories (of 10,273 million yen) mainly from the completion of construction work concentrating in this fourth quarter of the current accounting period.

(2) Cash flow from investment activities

Net cash used in investment activities in the third quarter of the current consolidated accounting period was 14,439 million yen. The main factor behind this is as follows.

Decrease: outlay (of 11,531 million yen) for the purchase of short-term investment securities and outlay (of 4,998 million yen) for the purchase of property, plant and equipment.



(3) Cash flow from financing activities

Net cash used in financing activities in the third quarter of the current consolidated accounting period was 7,518 million yen. The main factor behind this is as follows.

Decrease: payment (of 4,506 million yen) in dividends and outlay (of 1,987 million yen) for the purchase of treasury stock.

As a result of the above, cash and cash equivalents at the end of the third quarter of the current consolidated accounting period stood at 33,807 million yen, a fall of 15,448 million yen compared with the end of the previous consolidated accounting period.



3. Forecast for fiscal year 2009

Future trends for the worldwide economy appear to contain various risks including a relapse into financial uncertainty centering on Europe and the US, thus further worsening the economy. The Japanese economy is also rapidly worsening due to the strong yen and the worldwide economic slowdown, leading to drastic reductions including capital investments. The economic environment surrounding the azbil Group is extremely turbulent amidst highly uncertain circumstances. The Group is implementing its current three-year medium-term plan, started in fiscal year 2007 ended March 31, 2008, which is positioned as the period of “firmly establishing the foundation,” and further improving and strengthening the profitability of each business segment.

The Group will also make an effort to minimize the effects of a worsening business environment by taking continuous measures to improve management across the Group, and proceed with building our foundation for future growth. However, the domestic and overseas business environments are expected to become even more turbulent.

Taking into account these circumstances and proposed measures outlined above, the business plan for fiscal year 2008 ending March 31, 2009 presented on November 7, 2008 has been revised as follows.

The business plan is based on the information currently available and certain logical assumptions. Due to various factors, actual results may differ from the plan.

Forecast on consolidated results for FY2008 (April 1, 2008 to March 31, 2009)

	Sales	Operating income	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Forecast for FY2008 (A) (Announced at Nov.7.2008)	245,000	20,200	19,700	10,700
Forecast for FY2008 (B) (Announce at Feb. 3 .2009)	237,000	16,500	16,000	8,300
Difference (B-A)	(8,000)	(3,700)	(3,700)	(2,400)
Difference (%)	(3.3)	(18.3)	(18.8)	(22.4)
Reference				
Actual Results of FY2007	248,550	20,484	20,404	10,709

Forecast on individual results for FY2008 (April 1, 2008 to March 31, 2009)

	Sales	Operating income	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Forecast for FY2008 (A) (Announced at Nov.7.2008)	182,000	17,600	17,800	11,000
Forecast for FY2008 (B) (Announce at Feb. 3 .2009)	177,000	15,000	15,000	9,000
Difference (B-A)	(5,000)	(2,600)	(2,800)	(2,000)
Difference (%)	(2.7)	(14.8)	(15.7)	(18.2)
Reference				
Actual Results of FY2007	185,093	17,265	17,631	9,799

Consolidated quarterly balance sheets

	(Millions of yen)	
	Current Third Quarter As of Dec.31,2008	Prior Fiscal Year As of Mar.31,2008
Assets		
Current assets		
Cash and deposits	23,146	32,347
Notes and accounts receivable-trade	66,028	85,526
Short-term investment securities	20,319	13,390
Merchandise	1,812	1,626
Finished goods	3,384	2,941
Raw materials	6,661	6,326
Work in process	8,724	5,956
Costs on uncompleted construction contracts	13,121	6,579
Other	10,540	15,281
Allowance for doubtful accounts	(305)	(394)
Total current assets	153,434	169,582
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	14,337	15,341
Other, net	15,277	14,004
Total property, plant and equipment	29,615	29,345
Intangible assets		
Goodwill	6,681	3,023
Other	1,934	1,829
Total intangible assets	8,616	4,852
Investments and other assets		
Investment securities	13,086	16,597
Other	10,258	9,026
Allowance for doubtful accounts	(651)	(560)
Total investments and other assets	22,693	25,063
Total noncurrent assets	60,925	59,261
Total assets	214,359	228,843
Liabilities		
Current liabilities		
Notes and accounts payable-trade	36,012	42,130
Short-term loans payable	14,747	14,332
Income taxes payable	275	5,763
Provision for bonuses	4,364	8,950
Provision for directors' bonuses	40	80
Provision for product warranties	515	397
Provision for loss on order received	188	162
Other	20,059	15,245
Total current liabilities	76,205	87,063

	(Millions of yen)	
	Current Third Quarter As of Dec.31,2008	Prior Fiscal Year As of Mar.31,2008
Noncurrent liabilities		
Bonds payable	110	310
Long-term loans payable	2,867	4,217
Provision for retirement benefits	13,419	13,994
Provision for directors' retirement benefits	175	186
Other	1,516	1,351
Total noncurrent liabilities	<u>18,089</u>	<u>20,059</u>
Total liabilities	<u>94,294</u>	<u>107,122</u>
Net assets		
Shareholders' equity		
Capital stock	10,522	10,522
Capital surplus	17,197	12,647
Retained earnings	92,054	93,688
Treasury stock	(2,642)	(667)
Total shareholders' equity	<u>117,133</u>	<u>116,190</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,774	3,857
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	(322)	317
Total valuation and translation adjustments	<u>1,453</u>	<u>4,175</u>
Minority interests	<u>1,479</u>	<u>1,354</u>
Total net assets	<u>120,065</u>	<u>121,721</u>
Total liabilities and net assets	<u>214,359</u>	<u>228,843</u>

Consolidated quarterly statements of income
The Nine-month period ended December 31

(Millions of yen)
Nine Months Ended December 31,
Apr.1,2008 to
Dec.31,2008

Net sales	158,990
Cost of sales	100,754
Gross profit	<u>58,236</u>
Selling, general and administrative expenses	<u>51,579</u>
Operating income	<u>6,656</u>
Non-operating income	
Interest income	190
Dividends income	310
Real estate rent	90
Other	202
Total non-operating income	<u>792</u>
Non-operating expenses	
Interest expenses	190
Foreign exchange losses	371
Commitment fee	28
Rent expenses on real estates	79
Office transfer expenses	376
Other	99
Total non-operating expenses	<u>1,144</u>
Ordinary income	<u>6,304</u>
Extraordinary income	
Gain on sales of noncurrent assets	222
Total extraordinary income	<u>222</u>
Extraordinary loss	
Loss on sales and retirement of noncurrent assets	205
Impairment loss	99
Provision of allowance for doubtful accounts	49
Special extra retirement payments	57
Loss on valuation of investment securities	138
Total extraordinary losses	<u>550</u>
Income before income taxes and minority interests	<u>5,976</u>
Income taxes-current	546
Income taxes-deferred	2,349
Total income taxes	<u>2,895</u>
Minority interests in income	192
Net income	<u>2,887</u>

Consolidated quarterly statements of income
The three-month period ended December 31

(Millions of yen)
Current Third Quarter
Oct.1,2008 to
Dec.31,2008

Net sales	47,499
Cost of sales	30,044
Gross profit	17,454
Selling, general and administrative expenses	17,463
Operating loss	(8)
Non-operating income	
Interest income	72
Dividends income	100
Real estate rent	29
Other	39
Total non-operating income	242
Non-operating expenses	
Interest expenses	60
Foreign exchange losses	220
Commitment fee	3
Rent expenses on real estates	22
Office transfer expenses	230
Other	28
Total non-operating expenses	564
Ordinary loss	(331)
Extraordinary income	
Gain on sales of noncurrent assets	219
Total extraordinary income	219
Extraordinary loss	
Loss on sales and retirement of noncurrent assets	92
Impairment loss	13
Provision of allowance for doubtful accounts	13
Loss on valuation of investment securities	84
Total extraordinary losses	203
Loss before income taxes and minority interests	(315)
Income taxes-current	(688)
Income taxes-deferred	750
Total income taxes	61
Minority interests in income	47
Net loss	(424)

Consolidated quarterly statements of cash flows

(Millions of yen)
Nine Months Ended
December 31, 2008
Apr.1,2008 to
Dec.31,2008

Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	5,976
Depreciation and amortization	3,278
Amortization of goodwill	939
Increase (decrease) in allowance for doubtful accounts	43
Increase (decrease) in provision for retirement benefits	(575)
Increase (decrease) in provision for bonuses	(4,585)
Increase (decrease) in provision for directors' bonuses	(39)
Interest and dividends income	(500)
Interest expenses	190
Foreign exchange losses (gains)	19
Loss (gain) on sales and retirement of property, plant and equipment	(22)
Loss (gain) on sales and valuation of investment securities	138
Impairment loss	99
Decrease (increase) in notes and accounts receivable-trade	19,487
Decrease (increase) in inventories	(10,273)
Increase (decrease) in notes and accounts payable-trade	(6,081)
Decrease (increase) in other assets	(1,296)
Increase (decrease) in other liabilities	5,658
Subtotal	12,457
Interest and dividends income received	484
Interest expenses paid	(154)
Income taxes paid	(5,754)
Net cash provided by (used in) operating activities	7,033
Net cash provided by (used in) investment activities	
Payments into time deposits	(1,817)
Proceeds from withdrawal of time deposits	1,471
Purchase of short-term investment securities	(11,531)
Proceeds from sales of short-term investment securities	2,699
Purchase of property, plant and equipment	(4,998)
Proceeds from sales of property, plant and equipment	732
Purchase of intangible assets	(420)
Purchase of investment securities	(30)
Proceeds from sales of investment securities	2
Purchase of investments in capital of subsidiaries	(95)
Other, net	(452)
Net cash provided by (used in) investment activities	(14,439)
Net cash provided by (used in) financing activities	
Increase in short-term loans payable	1,407
Decrease in short-term loans payable	(1,200)
Repayment of long-term loans payable	(1,061)
Redemption of bonds	(100)
Cash dividends paid	(4,506)
Repayments of lease obligations	(25)
Cash dividends paid to minority shareholders	(58)
Purchase of treasury stock	(1,987)
Proceeds from sales of treasury stock	14
Net cash provided by (used in) financing activities	(7,518)
Effect of exchange rate change on cash and cash equivalents	(523)
Net increase (decrease) in cash and cash equivalents	(15,448)
Cash and cash equivalents at beginning of period	49,256
Cash and cash equivalents at end of period	33,807

Business Segment Information

Current Third Quarter (From October 1, 2008 To December 31, 2008)

(Millions of yen)

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dation
Sales to outside customers	17,429	20,023	8,274	1,771	47,499	-	47,499
Inter-segment sales	97	172	71	49	390	(390)	-
Total	17,527	20,195	8,345	1,820	47,889	(390)	47,499
Operating income(loss)	437	(191)	(178)	(79)	(11)	2	(8)

Nine Months Ended December 31, 2008 (From April 1, 2008 To December 31, 2008)

(Millions of yen)

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dation
Sales to outside customers	59,203	67,090	26,833	5,863	158,990	-	158,990
Inter-segment sales	248	484	166	119	1,020	(1,020)	-
Total	59,452	67,575	26,999	5,983	160,010	(1,020)	158,990
Operating income(loss)	3,772	3,220	(260)	(79)	6,651	4	6,656

Note: BA/Building Automation Business, AA/Advanced Automation Business, LA/Life Automation Business

(Supplementary information)

Because of the change of useful lives of machinery and equipment, operating expense increased by 12 million yen, 126 million yen, 25 million yen and 5 million yen for BA, AA, LA and Others, respectively. And operating income decreased by the same amount for AA and BA, respectively. Operating loss increased by the same amounts for LA and Others.

Order

Current Third Quarter

(From October 1, 2008 To December 31, 2008)

(Millions of yen)

Business segment	Orders	Backlog
	October 1, 2008 to Dec. 31, 2008	As of Dec. 31.2008
BA	17,576	58,151
AA	20,258	30,937
LA	8,245	1,846
Others	1,583	1,346
Total	47,663	92,281
Elimination	(368)	(472)
Consolidation	47,295	91,809

Nine Months Ended December 31, 2008

(From April 1, 2008 To December 31, 2008)

(Millions of yen)

Business segment	Orders	Backlog
	April 1, 2008 to Dec. 31, 2008	As of Dec. 31.2008
BA	81,038	58,151
AA	72,881	30,937
LA	27,637	1,846
Others	5,823	1,346
Total	187,380	92,281
Elimination	(1,339)	(472)
Consolidation	186,041	91,809

(Reference)

Consolidated Statements of Operations

(Millions of yen)

	Apr. 1, 2007 to Dec. 31, 2007	
Net sales	166,691	100.0
Cost of sales	107,473	64.5
Gross profit	59,218	35.5
Selling, general and administrative expenses	50,776	30.4
Operating income	8,441	5.1
Non-operating income	801	0.4
Non-operating expenses	521	0.3
Recurring income	8,721	5.2
Extraordinary profit	3,096	1.9
Extraordinary loss	3,174	1.9
Income before income taxes and minority interest	8,643	5.2
Income taxes - current	851	0.5
Income taxes - deferred	3,763	2.3
Minority interests in net income	249	0.1
Net income	3,779	2.3

Business Segment Information

Fiscal 2007 (April 1, 2007 to December 31, 2007)

(Millions of yen)

	BA	AA	LA	Others	Total	Elimi- nation	Consoli- dation
Sales	63,521	71,158	27,204	6,241	168,126	(1,434)	166,691
Operating cost and expenses	59,697	66,287	27,552	6,163	159,701	(1,451)	158,250
Operating income(loss)	3,824	4,870	(347)	77	8,424	16	8,441

Quarterly Operation Results

(Millions of yen)

	1Q/FY2007	2Q/FY2007	3Q/FY2007	4Q/FY2007
Sales	45,612	69,065	52,013	
Gross profit	16,270	24,511	18,436	
Operating income(loss)	(419)	7,619	1,241	
Recurring income(loss)	(118)	7,529	1,310	
Income before income taxes	2,666	4,769	1,208	
Net income	1,294	2,012	472	
Net income per share (yen)	17.60	27.36	6.42	
Total assets	220,703	219,490	215,240	
Net assets	118,181	119,607	117,018	
Net assets per share (yen)	1,590.77	1,608.60	1,573.00	