azbil

May 8, 2009

Consolidated Financial Results for the Fiscal 2008 ended March 31, 2009

1. Performance for year (from April 1, 2008 to March 31, 2009)

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

(1) Results

	Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal 2008	236,173	(5.0)	17,832	(12.9)	17,169	(15.9)	9,524	(11.1)
Fiscal 2007	248,550	6.0	20,484	18.3	20,404	14.3	10,709	0.6

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ordinary income to total assets	Operating income ratio
	Yen	Yen	%	%	%
Fiscal 2008	127.87	-	7.8	7.6	7.6
Fiscal 2007	145.63	-	9.0	8.9	8.2

(2) Financial Position

	Total assets	Net assets	Shareholder's equity to net assets	Net assets per share
	Million yen	Million yen	%	yen
As of March 31, 2009	220,845	124,983	55.9	1,672.91
As of March 31, 2008	228,843	121,721	52.6	1,641.73

Notes: Shareholders' equity
Fiscal 2008 123,554 million yen
Fiscal 2007 120,366 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
	Million yen	Million yen	Million yen	Million yen
Fiscal 2008	21,371	(16,606)	(8,574)	44,321
Fiscal 2007	21,086	(611)	(6,432)	49,256

2. Dividends per Share

	Dividends per Share (Yen)					Total Dividends (Annual)	Payout ratio (Consol.)	Dividends on Equity (Consol.)
	1Q	2Q	3Q	4Q	Fiscal year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal 2007	-	30.00	-	30.00	60.00	4,406	41.2	3.7
Fiscal 2008	-	31.00	-	31.00	62.00	4,610	48.5	3.7
Fiscal 2009 (Estimate)	-	31.00	-	31.00	62.00		76.3	

3. Outlook for Fiscal 2009 (April 1, 2009 to March 31, 2010)

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

	Sales	Operating income	Ordinary income	Net income	Net Income per Share
	Million yen %	Million yen %	Million yen %	Million yen %	Yen
First six months	98,500 (11.7)	2,500 (62.4)	2,400 (63.8)	500 (84.9)	6.77
Fiscal 2009	217,500 (7.9)	11,500 (35.5)	11,300 (34.2)	6,000 (37.0)	81.24

4. Other

(1) Change in scope of consolidation: None

(2) Change in accounting principles and procedures:

1. 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 current accounting period, 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 sheets 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.
2. Effective from current fiscal year, 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 effect for Gross profit, Operating income, Ordinary income and Income before income taxes.
3. Previously finance leases that do not deem to transfer ownership of the leased property to the lessee were treated as rental transaction. However, from current fiscal year, 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 current fiscal year, 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 current fiscal year, 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. Based on this, the useful lives of machinery and equipment included among property, plant and equipment have been changed. As a result Gross profit decreased by 211 million yen, Operating income, Ordinary income and Income before income taxes decreased by 236 million yen, respectively.
The effects of this change on each segment are as follows:
Operating expense increased by 17 million yen, 175 million yen, 36 million yen and 7 million yen for BA, AA, LA and Others, respectively. And operating income decreased by the same amount of increase in operating expense for AA and BA, respectively. Operating loss increased by the same amount of increase in operating expense for LA and Others.

(3) Number of shares issued(common stock)

1. Number of shares outstanding(including treasury stock)
   - March 31, 2009 75,116,101 shares
   - March 31, 2008 73,576,256 shares
2. Treasury stock at fiscal year end
   - March 31, 2009 1,260,121 shares
   - March 31, 2008 258,935 shares

* 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.

Any inquiry relating to these statements should be made to:

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1. Operating Results for Fiscal year 2008 ended March 31, 2009

1) Summary of Consolidated Financial Results

During the current fiscal year, the Japanese economy deteriorated significantly within a short period of time. This was the result of several negative factors: the sudden drop in exports that followed the rapid downturn in the world economy, itself triggered by the financial crisis that started in the United States; the drastic decline in corporate earnings resulting from the severe drop in output that has followed the weakening of demand both in Japan and overseas; cooling capital investment owing to uncertainty over the future; and a worsening employment situation.

Overseas the US-based financial crisis has had a serious impact on the real economies of both the United States and Europe. As well as the sudden downturn, there has been a knock-on effect felt by China and other countries in Asia, producing an economic slowdown there too. In other words, we are witnessing what is effectively a global recession.

This drastic deterioration in economic conditions has also impacted the three core businesses of the azbil Group. The Building Automation (BA) business – which supplies HVAC control equipment and systems for large-scale buildings – has benefited from a large volume of orders backlog for engineering work, so business performance has remained robust. Nevertheless, the Advanced Automation (AA) business, which supplies a variety of automation equipment and systems to factories and plants, was unable to avoid the severe effects of the capital investment freeze and cutbacks both in Japan and overseas manufacturing industries, from the third quarter onwards.

Currently the Group is implementing its three-year medium-term plan tasked with "firmly establishing the foundation" for attaining the Group's mission. In order to exploit the opportunities afforded by changes in the business environment, the Group is undertaking reforms aimed at reinforcing the business framework. Strengthening product development is one such reform, so the Group is actively engaged in the development of new products that answer the needs of its customers.

During the current fiscal year the business environment changed drastically, yet, with the scheduled revision of the Rationalization in Energy Use Law, an improvement was seen in the form of greater corporate demand for the management of the CO_2 emissions of an entire client enterprise. The Group, drawing on its strengths that allow it to offer a wide range of solutions encompassing both the building and factory markets, has started marketing products and services that meet these emerging needs. Included are EneSCOPE, an energy monitoring, analysis and management system, and the CO_2 Management System, an Internet-based service that enables a customer to see the total amount of greenhouse gases being emitted, as well as provides support for CO_2 management Moreover, the Group has constructed an Advanced Technology Laboratory at the Fujisawa Technology Center –featuring a Thermal Environment Experiment Facility and an Industrial Ventilation Control Laboratory – to facilitate the rapid development and introduction of products that can meet changing market requirements to ensure future business expansion.

The business climate has deteriorated abruptly; however, the above-mentioned measures illustrate how management is responding. As a result, sales for the current consolidated accounting period were 236,173 million yen, down only 5.0% on the previous fiscal year. Turning to profits, despite the significant impact of the fall in sales compared to the previous fiscal year, operating income was 17,832 million yen (down 12.9%), ordinary income was 17,169 million yen (down 15.9%), and net income was 9,524 million yen (down 11.1%). These results reflect the success of measures taken to reinforce the business structure – such as relocating manufacturing functions and enhancing productivity by reassigning staff within the Group – as well as concerted efforts to curb expenditure. Summarized below is the performance for each of business segments.

2) Building Automation Business

The domestic market for new buildings remained healthy thanks in part to job completions for both large-scale commercial building redevelopment projects and new large-scale production facility projects. As regards the market for existing buildings, despite the fact that there was continuing strong demand for refurbishment of buildings to reduce CO_2 emissions and to conserve energy, sales fell owing to subdued investment caused by the deterioration in business confidence, and by the fact that the ESCO business saw a rush of projects in the previous fiscal year due to the change in the subsidy system. In contrast, the service business saw a steady increase in sales; with a growing number of contracts, measures were also taken to expand services that meet market needs, including the addition of energy conservation and service options. The security (room access control) business did experience a fall in sales, but this reflects the fact that there was a large project for a financial institution in the first half of the previous fiscal year. In fact business performance continued to be healthy, reflecting increasing concerns for building safety and security issues, and the needs for stronger data protection and internal controls.

Turning overseas, active steps were taken to expand business with the establishment of branches and subsidiaries – in Dubai and Vietnam – and a business tie-up in Australia. Nevertheless, performance was affected by the strong yen and by cutbacks in investments for factory HVAC systems.

As a result, sales for the Building Automation business for the current fiscal year were 100,367 million yen, approximately the same as for the previous fiscal year. Furthermore, helped by an improvement in profits for the business in new buildings, an operating income of 13,072 million yen was recorded, representing an increase of 11.2% over the previous fiscal year.

3) Advanced Automation Business

The domestic market suffered the effects of the global economic downturn, and particularly conspicuous in the third quarter onwards was the trend to freeze or restrict capital investment throughout the manufacturing industry. There was a sudden fall in investment seen among companies producing electronic components, semiconductors, machine tools and automobiles. In addition, though, in the materials industries, such as chemicals and steel, moves to cut output and postpone investment in new plant have gathered momentum at an unprecedented speed. Consequently, there was a significant drop in sales for the products business, particularly for those products aimed at processing and assembly lines. In addition, the solution service business, which provides systems and maintenance to plants, was unable to avoid a fall in sales.

Overseas, even in the Chinese and Southeast Asian markets – which were relatively healthy in the first half of the current fiscal year – performance was affected by the sudden freeze and cutbacks on capital investment from the third quarter onwards, as seen in the US and European markets.

As a result, sales for the Advanced Automation business for the current fiscal year were 93,630 million yen, a decrease of 11.2 % on the previous fiscal year. Despite strengthening the business structure by reorganizing production systems and reallocating human resources, as well as concerted efforts to reduce costs, the impact of the fall in sales was significant and as a result operating income was 4,965 million yen, a drop of 44.4% from the previous fiscal year.

4) Life Automation Business

The Life Automation (LA) business is made up of several fields with differing business environments. Kimmon Manufacturing Co., Ltd., – a company that plays a central role in the Lifeline business field and accounts for the bulk of LA sales – has seen a weakening in the recovery of demand for both town gas and LP gas meters as a result of the economic downturn. At the same time, because of the fall in capital investment throughout the manufacturing industry, sales of town gas equipment for industrial use also decreased. This has meant a fall in sales, but profits were improved as a result of implementing the Kimmon-Yamatake Jump-up Plan, designed to reinforce the business infrastructure and improve the profit structure of Kimmon Mfg.

On the other hand, the business environment facing the Life Assist field – with its nursing care and

emergency dispatch services – continues to be challenging owing to such factors as cutbacks in welfare budgets 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.
As a result, sales for the LA business for the current fiscal year were 35,922 million yen, down 534 million yen on the previous fiscal year. However, owing to the contribution made by the Kimmon-Yamatake Jump-up Plan and other measures, despite the increased costs associated with goodwill depreciation after Kimmon Mfg. became a wholly owned subsidiary, operating loss was 160 million yen, an improvement of 125 million yen on the previous fiscal year.

5) Other Businesses

Sales for other businesses, including importing, buying-in and marketing of inspection and measurement equipment, were 7,916 million yen, a decline of 5.9 % on the previous fiscal year. Operating loss was 53 million yen.

2. Outlook for Fiscal year 2009 ending March 31, 2010

The deterioration on the world economy sparked by the financial crisis and the rapid cooling of business activity will continue. In Japan too, the economy, manufacturing output, exports and capital investment will all continue to be severely depressed. The three core businesses of the azbil Group address markets that have very different characteristics, so the degree to which each is affected by the economic downturn varies; nevertheless, it is recognized that the overall business climate will be beset by considerable uncertainty and conditions will be very challenging.

The Building Automation business, despite a reduction in new large-scale redevelopment projects, is expected to benefit from a degree of support thanks to demand for the refurbishing and servicing of existing buildings to reduce CO_2 emissions (environmental load), spurred by implementation of the revised Rationalization in Energy Use Law.

The Advanced Automation business, however, will be hard hit by the freezing or postponement of capital investment throughout the manufacturing industry. Although there are some glimmerings of recovery in the business climate – such as economic indicators suggesting an uptick in manufacturing – it is forecast that overall there will be no significant letup in the current difficult conditions.

The Life Automation business too is expected to suffer from the dampening effect of the economic downturn on recovery in the demand for gas meters.

In response to such rapid deterioration in the business environment, the Group has already implemented a number of initiatives. In preparing for the possible delay in economic recovery or even further deterioration, while implementing additional company-wide initiatives including directors voluntarily returning part of their monthly compensation, FY2009 is to be a year for reform: the Group will undertake radical improvements to its business structure, implementing measures that will bring about a quantum leap in the breadth, depth and speed of execution of the measures in the current medium–term plan. This will include the integration and reinforcement of the service businesses that make use of the Group's strengths, and also the restructuring and consolidation of production frameworks so as to provide the flexibility needed to vary output.

Taking into account these projections for the business climate and the measures to be implemented by the Group, business performance for the upcoming fiscal year is forecast as follows.

Note that statements about future business performance are based on the information currently available and certain logical assumptions. Due to various factors, actual results may differ from the plan.

(Hundred millions of yen)

		FY2008 (Mar.2009)	FY2009 (Mar.2010)	Difference	%
Building Automation	Sales	1,003	970	(33)	(3.4)
	Operating income	130	110	(20)	(15.9)
Advanced Automation	Sales	936	830	(106)	(11.4)
	Operating income	49	3	(46)	(94.0)
Life Automation	Sales	359	350	(9)	(2.6)
	Operating income	(1)	3	4	-
Others	Sales	79	45	(34)	(43.2)
	Operating income	(0)	0	0	-
Consolidated	Sales	2,361	2,175	(186)	(7.9)
	Operating income	178	115	(63)	(35.5)
	Ordinary income	171	113	(58)	(34.2)
	Net income	95	60	(35)	(37.0)

3. Consolidated Financial Position for Fiscal year 2008 ended March 31, 2009

(Assets)

At the end of the current fiscal year, assets fell by 7,998 million yen compared with the end of the previous fiscal year. Total assets stood at 220,845 million yen. The main factors are the decrease in notes and accounts receivable-trade of 10,683 million yen, as well as the decrease in valuation of investment securities of 4,890 million yen.

(Liabilities)

At the end of the current fiscal year, liabilities fell by 11,260 million yen compared with the end of the previous fiscal year. Total liabilities stood at 95,862 million yen. The main factors are the decrease in notes and accounts payable-trade of 6,153 million yen, as well as the decrease in repayment of long-term loans payable of 2,087 million yen.

(Net assets)

At the end of the current fiscal year, net assets increased by 3,262 million yen. Net assets stood at 124,983 million yen. This principally reflects capital surplus grew due to the recording of net income and the share exchange with Kimmon Manufacturing Co., Ltd., despite the purchase of treasury stock, as well as the decrease in valuation difference on available-for-sale securities due to the slide of the stock market.

(Cash flow)

(1) Cash flow from operating activities

Net cash provided by operating activities in the current fiscal year was 21,371 million yen, an increase of 285 million yen compared with the previous fiscal year. This was principally due to inflow from a decrease in notes and accounts receivable-trade, in spite of the decrease of income before income taxes compared with the previous fiscal year.

(2) Cash flow from investing activities

Net cash used in investing activities in the current fiscal year was 16,606 million yen, an increase of 15,994 million yen compared with the previous fiscal year. The main factors include outlay for the purchase of property, plant and equipment as well as for the purchase of short-term investment securities.

(3) Cash flow from financing activities

Net cash used in financing activities in the current fiscal year was 8,574 million yen, an increase of 2,141 million yen compared with the previous fiscal year. The main factors behind this are payment of dividends and outlay for the purchase of treasury stock.

As a result of the above, cash and cash equivalents at the end of the current fiscal year stood at 44,321 million yen, a fall of 4,935 million yen compared with the previous fiscal year.

4. Basic policy regarding profit sharing and the dividends for the current and next accounting period

The azbil Group places great importance on the distribution of profits to its shareholders. The management would like to maintain stable dividends while striving to increase its dividends payout, taking into account comprehensively its consolidated performance, levels of ROE (Return On Equity), DOE (Dividends On Equity), as well as retained earnings for strengthening its business base and developing future businesses.

In keeping with these principles, the annual dividend is planned to be 62 yen per share for the fiscal year 2008 ended March 31, 2009, as announced. Looking ahead to the fiscal year 2009 ending March 31, 2010, despite the challenging business environment, Yamatake plans the normal dividend to be 62 yen per share annually in order to maintain profit sharing with its shareholders, on which we have strived to improve until now.

As regards the appropriation of retained earnings, the management proposes to make effective investments designed to reinforce the company's business base and expand businesses for a further increase in shareholder value. These include investments to develop advanced technologies and high value-added products, to enhance the company's global production and sales network, and to create new businesses.

Consolidated balance sheets

	Prior Fiscal Year As of Mar.31,2008	Current Fiscal Year As of Mar.31,2009
		(Millions of yen)
Assets		
Current assets		
Cash and deposits	32,347	37,866
Notes and accounts receivable-trade	85,526	74,842
Lease receivables and investment assets	－	171
Short-term investment securities	13,390	14,592
Inventories	23,431	－
Merchandise and finished goods	－	3,725
Work in process	－	11,558
Raw materials	－	5,954
Deferred tax assets	5,692	5,231
Other	9,589	7,314
Allowance for doubtful accounts	(394)	(301)
Total current assets	169,582	160,956
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	36,854	37,549
Accumulated depreciation	(21,513)	(21,340)
Buildings and structures, net	15,341	16,209
Machinery, equipment and vehicles	17,304	16,466
Accumulated depreciation	(13,500)	(13,472)
Machinery, equipment and vehicles, net	3,804	2,994
Tools, furniture and fixtures	19,487	19,164
Accumulated depreciation	(16,641)	(16,663)
Tools, furniture and fixtures, net	2,845	2,501
Land	6,473	6,476
Lease assets	－	182
Accumulated depreciation	－	(27)
Lease assets, net	－	154
Construction in progress	880	1,500
Total property, plant and equipment	29,345	29,836
Intangible assets		
Right of using facilities	197	149
Software	1,001	952
Goodwill	3,023	6,367
Lease assets	－	2
Other	629	795
Total intangible assets	4,852	8,267
Investments and other assets		
Investment securities	16,597	11,706
Long-term loans receivable	740	578
Claims provable in bankruptcy, claims provable in rehabilitation and other	135	113
Deferred tax assets	658	2,533
Other	7,492	7,522
Allowance for doubtful accounts	(560)	(670)
Total investments and other assets	25,063	21,785
Total noncurrent assets	59,261	59,889
Total assets	228,843	220,845

Consolidated balance sheets

	Prior Fiscal Year As of Mar.31,2008	Current Fiscal Year As of Mar.31,2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	42,130	35,977
Short-term loans payable	14,332	14,473
Current portion of bonds	110	200
Lease obligations	—	116
Income taxes payable	5,763	4,878
Advances received	2,826	3,759
Provision for bonuses	8,950	8,294
Provision for directors' bonuses	80	67
Provision for product warranties	397	429
Provision for loss on order received	162	369
Other	12,309	10,174
Total current liabilities	87,063	78,739
Noncurrent liabilities		
Bonds payable	310	110
Long-term loans payable	4,217	2,129
Lease obligations	—	262
Deferred tax liabilities	832	753
Deferred tax liabilities for land revaluation	240	240
Provision for retirement benefits	13,994	13,242
Provision for directors' retirement benefits	186	183
Other	278	200
Total noncurrent liabilities	20,059	17,122
Total liabilities	107,122	95,862
Net assets		
Shareholders' equity		
Capital stock	10,522	10,522
Capital surplus	12,647	17,197
Retained earnings	93,688	98,691
Treasury stock	(667)	(2,640)
Total shareholders' equity	116,190	123,771
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,857	873
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	317	(1,090)
Total valuation and translation adjustments	4,175	(217)
Minority interests	1,354	1,429
Total net assets	121,721	124,983
Total liabilities and net assets	228,843	220,845

Consolidated statements of income

	Fiscal 2007 Apr.1,2007 to March.31,2008	(Millions of yen) Fiscal 2008 Apr.1,2008 to March.31,2009
Net sales	248,550	236,173
Cost of sales	158,604	149,518
Gross profit	89,946	86,654
Selling, general and administrative expenses	69,461	68,822
Operating income	20,484	17,832
Non-operating income		
Interest income	239	250
Dividends income	326	322
Real estate rent	119	116
Other	242	271
Total non-operating income	927	960
Non-operating expenses		
Interest expenses	278	250
Foreign exchange losses	279	643
Commitment fee	46	46
Rent expenses on real estates	85	110
Office transfer expenses	—	421
Other	318	151
Total non-operating expenses	1,007	1,623
Ordinary income	20,404	17,169
Extraordinary income		
Gain on sales of noncurrent assets	2,832	223
Gain on sales of investment securities	277	—
Gain on sales of subsidiaries and affiliates' stocks	—	12
Total extraordinary income	3,110	235
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	280	247
Impairment loss	3,107	161
Loss on valuation of investment securities	66	173
Loss on revision of retirement benefit plan	—	172
Special extra retirement payments	—	147
Provision of allowance for doubtful accounts	190	75
Factory removal expenses	167	—
Provision for product warranties	140	—
Loss on extinguishment of tie-in shares	19	—
Loss on sales of investment securities	1	—
Total extraordinary losses	3,973	978
Income before income taxes and minority interests	19,540	16,426
Income taxes-current	7,360	6,216
Income taxes-deferred	1,157	446
Total income taxes	8,517	6,663
Minority interests in income	313	238
Net income	10,709	9,524

Consolidated statements of changes in net assets

	Fiscal 2007 Apr.1,2007 to March.31,2008	(Millions of yen) Fiscal 2008 Apr.1,2008 to March.31,2009
Shareholders' equity		
Capital stock		
Balance at the end of previous period	10,522	10,522
Balance at the end of current period	10,522	10,522
Capital surplus		
Balance at the end of previous period	12,647	12,647
Changes of items during the period		
Disposal of treasury stock	0	(1)
Increase by share exchanges	—	4,550
Transfer to capital surplus from retained earnings	—	1
Total changes of items during the period	0	4,550
Balance at the end of current period	12,647	17,197
Retained earnings		
Balance at the end of previous period	87,025	93,688
Changes of items during the period		
Dividends from surplus	(4,046)	(4,519)
Net income	10,709	9,524
Disposal of treasury stock	—	(0)
Transfer to capital surplus from retained earnings	—	(1)
Total changes of items during the period	6,663	5,003
Balance at the end of current period	93,688	98,691
Treasury stock		
Balance at the end of previous period	(10)	(667)
Changes of items during the period		
Purchase of treasury stock	(657)	(1,988)
Disposal of treasury stock	0	16
Total changes of items during the period	(657)	(1,972)
Balance at the end of current period	(667)	(2,640)
Total shareholders' equity		
Balance at the end of previous period	110,185	116,190
Changes of items during the period		
Dividends from surplus	(4,046)	(4,519)
Net income	10,709	9,524
Purchase of treasury stock	(657)	(1,988)
Disposal of treasury stock	0	14
Increase by share exchanges	—	4,550
Transfer to capital surplus from retained earnings	—	—
Total changes of items during the period	6,005	7,580
Balance at the end of current period	116,190	123,771

Consolidated statements of changes in net assets

	Fiscal 2007 Apr.1,2007 to March.31,2008	Fiscal 2008 Apr.1,2008 to March.31,2009
		(Millions of yen)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	7,477	3,857
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,620)	(2,984)
Total changes of items during the period	(3,620)	(2,984)
Balance at the end of current period	3,857	873
Deferred gains or losses on hedges		
Balance at the end of previous period	(1)	0
Changes of items during the period		
Net changes of items other than shareholders' equity	2	(0)
Total changes of items during the period	2	(0)
Balance at the end of current period	0	―
Foreign currency translation adjustment		
Balance at the end of previous period	218	317
Changes of items during the period		
Net changes of items other than shareholders' equity	99	(1,407)
Total changes of items during the period	99	(1,407)
Balance at the end of current period	317	(1,090)
Total valuation and translation adjustments		
Balance at the end of previous period	7,694	4,175
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,518)	(4,393)
Total changes of items during the period	(3,518)	(4,393)
Balance at the end of current period	4,175	(217)
Minority interests		
Balance at the end of previous period	1,086	1,354
Changes of items during the period		
Net changes of items other than shareholders' equity	267	75
Total changes of items during the period	267	75
Balance at the end of current period	1,354	1,429
Total net assets		
Balance at the end of previous period	118,966	121,721
Changes of items during the period		
Dividends from surplus	(4,046)	(4,519)
Net income	10,709	9,524
Purchase of treasury stock	(657)	(1,988)
Disposal of treasury stock	0	14
Increase by share exchanges	―	4,550
Net changes of items other than shareholders' equity	(3,251)	(4,318)
Total changes of items during the period	2,754	3,262
Balance at the end of current period	121,721	124,983

Consolidated statements of cash flows

	Fiscal 2007 Apr.1,2007 to March.31,2008	(Millions of yen) Fiscal 2008 Apr.1,2008 to March.31,2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	19,540	16,426
Depreciation and amortization	4,387	4,503
Amortization of goodwill	650	1,253
Increase (decrease) in allowance for doubtful accounts	203	104
Increase (decrease) in provision for retirement benefits	(1,879)	(752)
Increase (decrease) in provision for bonuses	196	(655)
Increase (decrease) in provision for directors' bonuses	(8)	(13)
Interest and dividends income	(565)	(572)
Interest expenses	278	250
Foreign exchange losses (gains)	32	1
Loss (gain) on sales of property, plant and equipment	(2,832)	―
Loss on sales and retirement of property, plant and equipment	250	―
Loss (gain) on sales and retirement of property, plant and	―	17
Gain on sales of investment securities	(277)	―
Loss on sales of investment securities	1	―
Loss (gain) on valuation of investment securities	66	―
Loss (gain) on sales and valuation of investment securities	―	161
Impairment loss	3,107	161
Decrease (increase) in notes and accounts receivable-trade	3,730	10,705
Decrease (increase) in inventories	1,241	2,192
Increase (decrease) in notes and accounts payable-trade	(74)	(6,116)
Decrease (increase) in other assets	82	475
Increase (decrease) in other liabilities	(656)	(103)
Subtotal	27,474	28,041
Interest and dividends income received	566	564
Interest expenses paid	(279)	(247)
Income taxes paid	(6,674)	(6,985)
Net cash provided by (used in) operating activities	21,086	21,371
Net cash provided by (used in) investing activities		
Payments into time deposits	(992)	(2,022)
Proceeds from withdrawal of time deposits	317	1,781
Purchase of short-term investment securities	(2,943)	(15,056)
Proceeds from sales of short-term investment securities	3,066	9,357
Purchase of trust beneficiary right	―	(4,806)
Proceeds from sales of trust beneficiary right	―	821
Purchase of property, plant and equipment	(4,506)	(6,477)
Proceeds from sales of property, plant and equipment	3,244	746
Purchase of intangible assets	(502)	(521)
Purchase of investment securities	(51)	(231)
Proceeds from sales of investment securities	366	95
Proceeds from redemption of investment securities	1,550	―
Purchase of investments in capital of subsidiaries	―	(95)
Other, net	(159)	(199)
Net cash provided by (used in) investing activities	(611)	(16,606)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	1,788	1,547
Decrease in short-term loans payable	(1,453)	(1,687)
Proceeds from long-term loans payable	100	200
Repayment of long-term loans payable	(1,897)	(1,937)
Redemption of bonds	(260)	(110)
Cash dividends paid	(4,043)	(4,516)
Repayments of lease obligations	―	(40)
Cash dividends paid to minority shareholders	(10)	(58)
Purchase of treasury stock	(657)	(1,988)
Proceeds from sales of treasury stock	―	16
Net cash provided by (used in) financing activities	(6,432)	(8,574)
Effect of exchange rate change on cash and cash equivalents	23	(1,126)
Net increase (decrease) in cash and cash equivalents	14,065	(4,935)
Cash and cash equivalents at beginning of period	35,190	49,256
Cash and cash equivalents at end of period	49,256	44,321

Business Segment Information

a. Sales and Operating income/loss

Fiscal 2008

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dated
Sales	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen
1. Customers	99,972	92,868	35,601	7,731	236,173	-	236,173
2. Inter-segment	395	761	321	185	1,663	(1,663)	-
Total	100,367	93,630	35,922	7,916	237,837	(1,663)	236,173
Operating cost and expenses	87,294	88,665	36,083	7,970	220,013	(1,672)	218,341
Operating income(loss)	13,072	4,965	(160)	(53)	17,823	8	17,832

Fiscal 2007

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dated
Sales	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen
1. Customers	99,504	104,554	36,277	8,213	248,550	-	248,550
2. Inter-segment	1,012	891	179	197	2,280	(2,280)	-
Total	100,517	105,445	36,456	8,411	250,831	(2,280)	248,550
Operating cost and expenses	88,765	96,520	36,742	8,328	230,357	(2,290)	228,066
Operating income(loss)	11,751	8,925	(285)	82	20,473	10	20,484

b. Assets, Depreciation, Impairment loss and Capital expenditure

Fiscal 2008

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dated
	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen
Assets	55,007	66,016	31,173	3,702	155,901	64,944	220,845
Depreciation	1,018	2,560	869	54	4,503	-	4,503
Impairment loss	25	-	906	-	931	(769)	161
Capital expenditure	1,517	4,208	639	48	6,413	-	6,413

Fiscal 2007

	BA	AA	LA	Others	Total	Elimination/ Corporate	Consoli- dated
	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen
Assets	53,490	74,570	32,601	5,063	165,725	63,118	228,843
Depreciation	999	2,182	1,153	51	4,387	-	4,387
Impairment loss	-	-	4,604	-	4,604	(1,497)	3,107
Capital expenditure	1,080	3,159	230	18	4,488	-	4,488

Orders

Business segment	Orders April 1.2008 to March 31.2009		Backlog As of March 31.2009	
	Million yen	%	Million yen	%
BA	98,251	(3.8)	34,448	(5.8)
AA	92,483	(10.1)	24,484	(4.5)
LA	35,923	(1.8)	1,210	0.1
Others	6,929	(21.4)	519	(65.5)
Total	233,587	(6.7)	60,662	(6.5)
Elimination	(1,828)	-	(317)	-
Consolidated	231,759	(6.8)	60,344	(6.8)

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