

Consolidated Financial Results for the Second Quarter Ended September 30, 2011 (Japan GAAP)

October 28, 2011

Company name : Yamatake Corporation
 URL : <http://www.azbil.com/jp/>
 Stock exchange listing : Tokyo Stock Exchange 1st Section (CODE 6845)
 Representative : Seiji Onoki, President and Chief Executive Officer
 Contact : Teruyoshi Yamamoto, Executive Officer, General Manager of Fiscal Control Department
 Telephone : +81-3-6810-1009
 Planned quarterly report filing date : November 9, 2011
 Planned dividend starting date : December 6, 2011
 Preparation of supplementary references regarding quarterly results : Yes
 Holding the briefing of quarterly results : Yes (for institutional investors and analysts)

Notes: 1. The Japanese financial accounting standards are applied for this statement of accounts.

2. Amounts indicated are rounded down.

1. Results for the Second quarter ended September 30, 2011 (April 1, 2011 to September 30, 2011)

(1) Consolidated financial results (Cumulative)

(Percentage shows the increase (decrease) from the previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2011	103,253	4.0	4,706	24.1	4,670	27.5	2,447	90.5
Six months ended September 30, 2010	99,323	6.3	3,792	155.0	3,664	158.3	1,285	—

Note: Comprehensive income As of September 30, 2011 2,778 million yen (—%)

As of September 30, 2010 (163) million yen (—%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2011	33.14	—
Six months ended September 30, 2010	17.40	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2011	209,140	131,718	62.1
As of March 31, 2011	217,501	131,361	59.6

Note : Shareholders' equity As of September 30, 2011 129,874 million yen

As of March 31, 2011 129,604 million yen

2. Dividends

	Dividends per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year 2010	—	31.50	—	31.50	63.00
Fiscal year 2011	—	31.50	—	—	—
Fiscal year 2011 (Forecast)	—	—	—	31.50	63.00

Note : Revision of dividends forecast for during this period : No

**3. Forecast of consolidated financial results for the fiscal year ending March 31, 2012
(April 1, 2011 to March 31, 2012)**

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year 2011	222,000	1.3	14,000	(6.0)	13,800	(7.3)	7,800	(1.6)	105.61

Note : Revision of consolidated financial results forecast for during this period : Yes

4. Other

**(1) Changes in significant subsidiaries during the period
(Changes in specified subsidiaries due to changes in the scope of consolidation) : No**

(2) Adoption of accounting methods specific to preparation of the quarterly consolidated financial statements : No

(3) Changes in accounting policies, accounting estimates, and retrospective restatements

1. Changes associated with revision in accounting standards : No
2. Other Changes : No
3. Changes in accounting estimates : No
4. Changes in retrospective restatements : No

(4) Number of shares issued (common stock)

1. Number of shares issued (including treasury stock)
 - As of September 30, 2011 75,116,101 shares
 - As of March 31, 2011 75,116,101 shares
2. Number of Treasury stock
 - As of September 30, 2011 1,261,378 shares
 - As of March 31, 2011 1,261,417 shares
3. Average number of shares (cumulative quarterly period)
 - Six months ended September 30, 2011 73,854,727 shares
 - Six months ended September 30, 2010 73,855,169 shares

* Description of the situation of the procedures for reviewing quarterly results

This quarterly financial results is not subject to the procedures for reviewing quarterly reports specified in the Financial Instruments and Exchange Act. As of the disclosure of this quarterly financial results, the procedures for reviewing quarterly consolidated financial statements are in progress.

* Regarding the appropriate use of forecast and other special matters

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.

Accompanying Materials

Contents

1. Qualitative information on quarterly consolidated financial results.....	2
(1) Qualitative information on consolidated financial results.....	2
(2) Qualitative information on consolidated financial position.....	7
(3) Qualitative information on forecast of consolidated financial results.....	8
2. Matters relating to Summary Information (Other).....	9
(1) Changes in significant subsidiaries during the period.....	9
(2) Adoption of accounting methods specific to preparation of the quarterly consolidated financial statements.....	9
(3) Changes in accounting policies, accounting estimates, and retrospective restatements.....	9
3. Quarterly consolidated financial statements.....	10
(1) Quarterly consolidated balance sheets.....	10
(2) Quarterly consolidated statements of income and Quarterly consolidated statements of comprehensive income	
Quarterly consolidated statements of income	
The second quarter of the current consolidated cumulative period.....	11
Quarterly consolidated statements of comprehensive income	
The second quarter of the current consolidated cumulative period.....	12
(3) Quarterly consolidated statements of cash flows.....	13
(4) Notes regarding assumptions of continuing operations.....	14
(5) Segment information.....	14
(6) Notes if there is a remarkable change in the amount of shareholders' equity.....	15
4. Supplementary information.....	16
Orders received condition.....	16

1. Qualitative information on quarterly consolidated financial results

(1) Qualitative information on consolidated financial results

In the second quarter of the current consolidated cumulative period, despite the fact that Japan's economy was severely affected by the Great East Japan Earthquake and its aftermath, there were indications of a pickup underway, with exports and manufacturing starting to recover. Nevertheless, the future outlook remains uncertain because of the impact on Japan's export industries of the sudden appreciation of the yen and the slowdown in overseas economies, among other factors. Turning to overseas economies, in Asia there continues to be evidence of recovery, principally in China, but with the financial crisis in Europe and the economic slowdown in the US, the tempo of that recovery has slowed.

For the azbil Group, the business environment has begun to show signs of a slowdown in certain regions and industries, but overall it has been robust during the second quarter of the consolidated cumulative period.

Domestically, there were concerns about a slump in manufacturing output as a result of shortages of parts and components, as well as worries about electricity supplies. However, owing to the rapid implementation of measures aimed at tackling such problems, it was possible to ensure that the effect on corporate activities was relatively minor. This, plus the fact that disaster-recovery efforts generated fresh demand, meant that the business environment has recovered better than expected. Overseas too, capital investment has continued to create robust demand in the emerging economies.

Given these favorable circumstances, the Advanced Automation (AA) business – for which capital investment by the manufacturing industry is of special importance – achieved a steady recovery in orders, sales and profits compared to the same period last year. The Building Automation (BA) business, on the other hand, has seen only a gentle recovery. But thanks to efforts aimed at expanding the scope of its business, it has won a number of large-scale multi-year service contracts as a result of participating in market testing bidding,^{Note 1} and the volume of orders increased substantially. The Life Automation (LA) business was affected by the Great East Japan Earthquake and the Fukushima Daiichi nuclear power plant accident: the production of LP gas and water meters had to be suspended for a time, and as a result it was expected that both revenue and profits would fall. However, various measures were taken to minimize the damage, and these efforts were successful in ensuring less of an impact on sales and profits than had been initially feared.

Consequently, azbil Group sales for the second quarter of the current consolidated cumulative period were 103,253 million yen, up 4.0% on the same period last year.

Turning to profits, while there were increased outlays for social insurance premiums, etc., as well as the impact on the LA business of the above-mentioned suspension of production, continued efforts were made to enhance the business structure while rationalizing and curbing expenditures. As a result the Group recorded an operating income of 4,706 million yen (up 24.1% on the same period last year), an ordinary income of 4,670 million yen (up 27.5% on the same period last year), and a net income of 2,447 million yen (up 90.5% on the same period last year).

Note 1: Market testing

“Market testing” is a government-and-private sector competitive bidding system in Japan. As stipulated by legislation aimed at effecting public service reform through the introduction of competition, this system ensures that contracts for public services hitherto provided solely by the government are to be decided by competitive bidding in which public and private operators participate on an equal footing. The contract is awarded to the operator who offers the best quality for the best price. As a result of this bidding process, orders are placed for large-scale service projects that stretch over several years, and the total value of a contract for that multi-year period is recorded as a lump sum for accounting purposes. The periods covered by contracts won by the azbil Group through such market testing range from 3 to 5 years, and thus the amounts involved are quite considerable; consequently, they account for the bulk of the growth in orders achieved by the BA business in the second quarter of the current cumulative period. As regards sales figures, these are recorded according to the actual services provided during the relevant year.

The results for the individual reportable segments are as follows.

Building Automation Business

In Japan, there was growth in business related to existing buildings and to services, leading to an increase in overall revenue for the domestic market compared to the same period last year.

As regards the business targeting existing buildings, it is true that there is continuing concern regarding nationwide shortages of electrical power, so there is a real need for radical energy-saving measures to be implemented. This combined with the ever-present need to reduce the environmental burden (CO₂ emissions) of an enterprise has led to an unprecedented number of inquiries from customers, and indeed there have been some signs of new investments in the pipeline. Nevertheless, in general customers concentrated on investing in short-term measures aimed at achieving a quick operational recovery from the March 11 disaster and at reducing peak electrical power consumption during the summer months. Serious concerns about the future economic outlook have meant that there is yet to be any real momentum visible in large-scale investments made

by customers to overhaul their facilities.

In the service field, some success was achieved in generating new investment projects by making proactive energy-saving proposals and also in expanding business into new areas, as exemplified by the above-mentioned market testing. All of this resulted in sales growth.

Turning abroad, while azbil has traditionally had an advantage in the overseas market for HVAC (heating, ventilation, and air-conditioning) for factories operated by Japanese companies, a fresh initiative has been implemented to develop the non-Japanese market by forming tie-ups with local enterprises, making use of the fact that in Japan azbil has unrivalled experience and energy-saving expertise. This approach, with the added impetus of favorable market conditions, has resulted in a significant growth in sales.

Consequently, BA business sales in the second quarter of the current consolidated cumulative period were 44,377 million yen, representing an increase in revenue of 5.2% on the same period last year. Efforts were made to curb expenditure, but these gains were outweighed by the impact of escalating price competition and the increased burden of social insurance contributions, so that segment profit (operating income) was 2,285 million yen, a drop of 8.7% on the same period last year.

Advanced Automation Business

Looking at Japan's domestic scene, there were certain markets – such as that for semiconductor manufacturing equipment – that suffered sharp falls in orders at the start of the second quarter of the consolidated accounting period. Nevertheless, it was possible to avoid the serious impact on manufacturing activities of shortages of parts, components and electricity supplies that had been initially expected in the wake of the Great East Japan Earthquake and ensuing nuclear power plant accident. Consequently, sales of control products for the FA (factory automation) market continued to grow, and at the same time system product sales increased, resulting in overall revenue growth for the domestic market.

Overseas too, there was an increase in revenue owing principally to a good first quarter of the current accounting period. Special emphasis has been placed on overseas markets as having potential for growth, and in addition to enhancing local engineering and maintenance capabilities azbil has been actively taking the initiative – for example, setting up a new flowmeter calibration facility in China.

As a result, AA business sales in the second quarter of the current consolidated cumulative period were 40,955 million yen, an increase of 8.1% on the same period last year. Segment profit (operating income) was 2,379million yen, an increase of 1,270

million yen from the same period last year, attributable mainly to growth in revenue.

Life Automation Business

The LA business covers a wide variety of fields closely connected with people's everyday lives: it markets lifeline-related measuring equipment; it provides nursing care and lifestyle support services; and it also sells central air-conditioning systems for homes that ensure a comfortable and healthy environment while contributing to energy saving.

Kimmon Manufacturing – a company that plays a central role in the Lifeline field and accounts for the bulk of LA business sales – produces and sells gas and water meters. Following the Fukushima Daiichi nuclear power plant accident, operations at some production subsidiaries in Fukushima Prefecture had to be temporarily suspended; there were also interruptions in the parts supply^{Note 2} from a certain contract manufacturer located in the environs of nuclear power plants in Fukushima. The result was a fall in sales.

Turning to the Life Assist field – with its nursing care and emergency alert response services – demand is growing as Japan's population ages, and a steadily increasing number of people are making use of these services. Nevertheless, with cutbacks in welfare budgets by local governments, etc., the business environment is challenging. Various measures^{Note 3} have been implemented to ameliorate this situation, including expanding disease prevention sales to corporate clients, increasing the number of nursing care facilities, and expanding the scope of services offered (combining nursing care equipment rental and at-home services). This approach has resulted in increased sales.

As regards the market for residential central air-conditioning systems, the sales force has been reinforced and an aggressive strategy targeting both house builders and individual owners has been adopted. As an example of the latter, a showroom (Platz Kikubari) has been set up inside Japan's largest permanent housing exhibition, tvk Housing Plaza Yokohama. These efforts, combined with an improvement in the market for well-insulated and airtight houses, have led to increased sales.

As mentioned above, as a result of the fall in revenues for Kimmon Manufacturing – which accounts for the bulk of sales – LA business sales in the second quarter of the current consolidated cumulative period were 16,215 million yen, a decrease of 5.2% on the same period last year. Turning to profits, vigorous efforts aimed at a quick operational recovery meant that the impact of the March 11 disaster was less than initially envisaged. However, there was a segment loss (operating loss) of 46 million yen; a segment profit (operating income) of 110 million yen was recorded for the same period last year.

Note 2: Operations at Kimmon Manufacturing's production subsidiaries and contract manufacturer

The production subsidiaries that had suspended operations resumed operation in May. As regards parts supply, the situation has substantially returned to normal as a result of taking such steps as transferring production equipment to another contract manufacturer.

Note 3: Initiatives to enhance services

One of the ways in which the services on offer have been expanded in breadth and depth, is the Mobile Emergency Alert Response Service Nurse Phone - Security Pendant, which makes use of mobile device. Furthermore, in order to enhance the unique services that the azbil Group offers and reinforce the business infrastructure, on April 1, 2012, a new company will be created, Azbil Care & Support Co., Ltd. This company will be formed through a business merger between Safety Service Center Co., Ltd., (offering emergency alert response services) and Yamatake Care-Net Co., Ltd. (offering assisted care services).

Others

In others (the importing, buying-in and marketing of inspection and measurement equipment), sales of 2,512 million yen were recorded in the second quarter of the current consolidated cumulative period; this represents a decrease of 14.9% compared to the same period last year. However, an improved profit margin meant that segment profit (operating income) was 89 million yen, an increase of 19.8% compared to the same period last year.

(2) Qualitative information on consolidated financial position

(Assets)

At the end of the second quarter of fiscal year 2011, total assets were 209,140 million yen, a decrease of 8,360 million yen from the end of the previous fiscal year. This is mainly due to by the decrease in notes and accounts receivable-trade of 6,881 million yen.

(Liabilities)

At the end of the second quarter of fiscal year 2011, total liabilities were 77,421 million yen, a decrease of 8,718 million yen from the end of the previous fiscal year. This is mainly due to by the decrease of 1,525 million yen in notes and accounts payable-trade and the decrease of 4,902 million yen in income taxes payable due to the payment of income tax, etc.

(Net Assets)

At the end of the second quarter of fiscal year 2011, net assets were 131,718 million yen, an increase of 357 million yen from the end of the previous fiscal year. This is mainly due to the increase in the retained earnings by adding the net income of the second quarter of the current consolidated cumulative period.

As a result, shareholders' equity ratio was 62.1% compared with 59.6% at the end of previous fiscal year.

(Cash Flows)

1) Cash flows from operating activities

Cash and cash equivalents (hereinafter referred to as "cash") provided by operating activities in the second quarter of the current consolidated cumulative period was 2,610 million yen, resulting in a decrease of 6,996 million yen compared with the same period last year. The main factor is the increase in notes and accounts receivable-trade due to sales increase.

2) Cash flows from investing activities

Net cash used in investing activities in the second quarter of the current consolidated cumulative period was 1,285 million yen, an increase of 1,196 million yen compared with the same period last year. The main factor is the decrease in proceeds from sales of investment securities.

3) Cash flows from financing activities

Net cash used in financing activities in the second quarter of the current consolidated cumulative period was 3,474 million yen, an increase of 146 million yen compared with the same period last year. The main factor is the decline in Increase in short-term loans payable.

As a result, cash and cash equivalents at the end of the second quarter of the current consolidated cumulative period stood at 57,672 million yen, a decrease of 2,171 million yen compared with the end of the previous fiscal year.

(3) Qualitative information on forecast of consolidated financial results

Based on the consolidated financial results for the second quarter of the current consolidated cumulative period and on currently available information regarding the future outlook for the business environment, the forecast of consolidated results for the fiscal year ending March 31, 2012 has been revised upwards from the initial forecast published on May 10, 2011 as follows: sales of 222,000 million yen, up 2,000 million yen (0.9%); operating income of 14,000 million yen, up 1,000 million yen (7.7%); ordinary income of 13,800 million yen, up 800 million yen (6.2%); and net income of 7,800 million yen, up 500 million yen (6.8%).

Results for the second quarter of the current consolidated cumulative period demonstrate that it has been possible to perform better than both the initial forecast and the revised forecast that was published on July 29. (For details, refer to the “Notice Regarding the Difference between the Earnings Forecast and Financial Results for the Second Quarter of the Consolidated Cumulative Period for Fiscal Year 2011.” published today.) However, as a result of such factors as the economic uncertainty brought on by the European debt crisis, the slowing of economic growth in the emerging economies, and the impact of the excessively high yen exchange rate on Japan’s export industries, from the third quarter of the consolidated accounting period there has been a sudden upsurge in uncertainty surrounding the business environment.

Regarding the business environment on which the earnings forecast is premised, the Building Automation (BA) business has essentially performed as expected. However, as regards the Advanced Automation (AA) business, both domestically and abroad there has been a conspicuous slowdown or even deterioration in capital investment from the second quarter. Looking at the Life Automation (LA) business, initial plans envisaged a return to a normal business environment from the third quarter onwards, and at present this outlook remains unchanged.

Based on this outlook for the business environment, the earnings forecast for the year ending March 31, 2012 is as stated above, and the figures for each segment have been revised as shown in the table below.

(Hundred millions of yen)

		Revised forecast (October 28, 2011)	Initial forecast (May 10, 2011)	Difference	%	(Reference) FY2010
Building Automation	Net sales	1,040	1,040	-	-	1,021
	Operating income	106	106	-	-	117
Advanced Automation	Net sales	830	830	-	-	809
	Operating income	36	34	2	5.9	32
Life Automation	Net sales	325	310	15	4.8	326
	Operating income	(3)	(9)	6	-	(2)
Others	Net sales	45	40	5	12.5	51
	Operating income	1	(1)	2	-	1
Consolidated	Net sales	2,220	2,200	20	0.9	2,192
	Operating income	140	130	10	7.7	148
	Ordinary income	138	130	8	6.2	148
	Net income	78	73	5	6.8	79

* 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.

2. Matters relating to Summary Information (Other)

(1) Changes in significant subsidiaries during the period:

No

(2) Adoption of accounting methods specific to preparation of the quarterly consolidated financial statements:

No

(3) Changes in accounting policies, accounting estimates, and retrospective restatements:

No

3. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
Assets		
Current assets		
Cash and deposits	48,566	46,703
Notes and accounts receivable-trade	76,049	69,168
Short-term investment securities	12,900	12,900
Merchandise and finished goods	3,696	4,306
Work in process	4,745	5,836
Raw materials	5,343	6,247
Other	13,442	12,452
Allowance for doubtful accounts	(357)	(264)
Total current assets	164,385	157,350
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	14,423	13,994
Other, net	11,287	11,000
Total property, plant and equipment	25,711	24,994
Intangible assets		
Goodwill	3,878	3,241
Other	1,908	1,838
Total intangible assets	5,787	5,079
Investments and other assets		
Investment securities	12,528	12,524
Other	9,576	9,693
Allowance for doubtful accounts	(487)	(503)
Total investments and other assets	21,616	21,714
Total noncurrent assets	53,115	51,789
Total assets	217,501	209,140
Liabilities		
Current liabilities		
Notes and accounts payable-trade	33,946	32,421
Short-term loans payable	5,625	5,331
Income taxes payable	5,809	907
Provision for bonuses	8,016	6,327
Provision for directors' bonuses	102	86
Provision for product warranties	566	506
Provision for loss on order received	407	605
Other	11,016	11,063
Total current liabilities	65,493	57,248
Noncurrent liabilities		
Long-term loans payable	6,161	5,416
Provision for retirement benefits	12,354	12,508
Provision for directors' retirement benefits	227	228
Other	1,902	2,019
Total noncurrent liabilities	20,646	20,172
Total liabilities	86,139	77,421
Net assets		
Shareholders' equity		
Capital stock	10,522	10,522
Capital surplus	17,197	17,197
Retained earnings	103,677	103,798
Treasury stock	(2,643)	(2,642)
Total shareholders' equity	128,754	128,876
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,119	2,007
Deferred gains or losses on hedges	(0)	3
Foreign currency translation adjustment	(1,269)	(1,012)
Total accumulated other comprehensive income	849	997
Subscription rights to shares	2	2
Minority interests	1,754	1,842
Total net assets	131,361	131,718
Total liabilities and net assets	217,501	209,140

(2) Quarterly consolidated statements of income and Quarterly consolidated statements of comprehensive income
 (Quarterly consolidated statements of income)
 (The second quarter of the current consolidated cumulative period)

	(Millions of yen)	
	Six months ended September 30, 2010 (April 1, 2010 to September 30, 2010)	Six months ended September 30, 2011 (April 1, 2011 to September 30, 2011)
Net sales	99,323	103,253
Cost of sales	63,906	66,266
Gross profit	35,416	36,986
Selling, general and administrative expenses	31,624	32,280
Operating income	3,792	4,706
Non-operating income		
Interest income	51	45
Dividends income	371	167
Real estate rent	24	28
Reversal of allowance for doubtful accounts	—	26
Other	167	170
Total non-operating income	614	438
Non-operating expenses		
Interest expenses	86	53
Foreign exchange losses	441	305
Commitment fee	21	13
Rent expenses on real estates	39	47
Office transfer expenses	35	13
Other	118	41
Total non-operating expenses	742	474
Ordinary income	3,664	4,670
Extraordinary income		
Gain on sales of noncurrent assets	34	67
Gain on business transfer	—	184
Gain on sales of investment securities	186	1
Total extraordinary income	221	253
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	42	32
Impairment loss	230	42
Loss on disaster	—	215
Environmental expenses	545	79
Loss on valuation of investment securities	52	11
Loss on adjustment for changes of accounting standard for asset retirement obligations	265	—
Loss on sales of investment securities	11	—
Provision of allowance for doubtful accounts	7	—
Total extraordinary losses	1,155	381
Income before income taxes and minority interests	2,730	4,542
Income taxes-current	567	765
Income taxes-deferred	766	1,151
Total income taxes	1,334	1,916
Income before minority interests	1,396	2,625
Minority interests in income	111	177
Net income	1,285	2,447

(Quarterly consolidated statements of comprehensive income)
(The second quarter of the current consolidated cumulative period)

	(Millions of yen)	
	Six months ended September 30, 2010 (April 1, 2010 to September 30, 2010)	Six months ended September 30, 2011 (April 1, 2011 to September 30, 2011)
Income before minority interests	1,396	2,625
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,474)	(121)
Deferred gains or losses on hedges	(1)	3
Foreign currency translation adjustment	(83)	269
Total other comprehensive income	<u>(1,559)</u>	<u>152</u>
Comprehensive income	<u>(163)</u>	<u>2,778</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(241)	2,595
Comprehensive income attributable to minority interests	78	182

(3) Quarterly consolidated statements of cash flows
Six months ended September 30

	(Millions of yen)	
	Six months ended September 30, 2010 (April 1, 2010 to September 30, 2010)	Six months ended September 30, 2011 (April 1, 2011 to September 30, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,730	4,542
Depreciation and amortization	2,133	1,917
Amortization of goodwill	663	637
Increase (decrease) in allowance for doubtful accounts	(29)	(77)
Increase (decrease) in provision for retirement benefits	(208)	152
Increase (decrease) in provision for bonuses	(1,653)	(1,689)
Increase (decrease) in provision for directors' bonuses	1	(16)
Interest and dividends income	(422)	(213)
Interest expenses	86	53
Foreign exchange losses (gains)	302	198
Loss (gain) on sales and retirement of property, plant and equipment	7	(34)
Loss (gain) on sales and valuation of investment securities	(123)	9
Impairment loss	230	42
Environmental expenses	545	79
Loss on adjustment for changes of accounting standard for asset retirement obligations	265	—
Loss on disaster	—	215
Loss (gain) on business transfer	—	(184)
Decrease (increase) in notes and accounts receivable-trade	13,948	6,973
Decrease (increase) in inventories	(1,480)	(2,587)
Increase (decrease) in notes and accounts payable-trade	(5,319)	(1,581)
Decrease (increase) in other assets	378	(198)
Increase (decrease) in other liabilities	679	(16)
Subtotal	12,733	8,221
Interest and dividends income received	421	212
Interest expenses paid	(87)	(55)
Payments for loss on disaster	—	(152)
Income taxes paid	(3,460)	(5,614)
Net cash provided by (used in) operating activities	9,607	2,610
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,161)	(1,065)
Proceeds from withdrawal of time deposits	892	814
Purchase of trust beneficiary right	(6,845)	(7,254)
Proceeds from sales of trust beneficiary right	7,046	7,286
Purchase of property, plant and equipment	(1,161)	(1,175)
Proceeds from sales of property, plant and equipment	160	99
Purchase of intangible assets	(79)	(115)
Purchase of investment securities	(68)	(130)
Proceeds from sales of investment securities	1,159	2
Purchase of investments in capital of subsidiaries	(62)	(91)
Purchase of stocks of subsidiaries and affiliates	—	(28)
Proceeds from transfer of business	—	235
Other, net	30	138
Net cash provided by (used in) investing activities	(89)	(1,285)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	558	186
Decrease in short-term loans payable	(552)	(413)
Repayment of long-term loans payable	(929)	(766)
Redemption of bonds	(25)	(25)
Cash dividends paid	(2,288)	(2,325)
Repayments of lease obligations	(37)	(35)
Cash dividends paid to minority shareholders	(52)	(94)
Purchase of treasury stock	(0)	(0)
Proceeds from sales of treasury stock	0	0
Net cash provided by (used in) financing activities	(3,327)	(3,474)
Effect of exchange rate change on cash and cash equivalents	(275)	(21)
Net increase (decrease) in cash and cash equivalents	5,914	(2,171)
Cash and cash equivalents at beginning of period	55,363	59,843
Cash and cash equivalents at end of period	61,278	57,672

(4) Notes regarding assumptions of continuing operations:

Non applicable

(5) Segment information

(segment information)

Six months ended September 30, 2010 (From April 1, 2010 to September 30, 2010)

1. Sales and profit information every segment

(Millions of yen)

	Reportable Segment				Others (*)	Total
	Building Automation	Advanced Automation	Life Automation	Total		
Net sales						
(1)Customers	42,104	37,588	16,854	96,547	2,775	99,323
(2)Inter-segment	86	284	259	631	176	808
Total	42,191	37,873	17,113	97,178	2,952	100,131
Segment Profit	2,504	1,108	110	3,723	74	3,797

* "Others" includes the importing, buying-in and marketing of inspection and measurement equipment.

2. The main contents of the difference between reportable segment profit and operating income

(Millions of yen)

Profit	Amount
Total of reportable segment	3,723
Profit in Others	74
Elimination	(5)
Operating Income	3,792

Six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)

1. Sales and profit (loss) information every segment

(Millions of yen)

	Reportable Segment				Others (*)	Total
	Building Automation	Advanced Automation	Life Automation	Total		
Net sales						
(1)Customers	44,201	40,520	16,053	100,775	2,477	103,253
(2)Inter-segment	175	434	161	772	34	807
Total	44,377	40,955	16,215	101,547	2,512	104,060
Segment Profit(loss)	2,285	2,379	(46)	4,618	89	4,707

* "Others" includes the importing, buying-in and marketing of inspection and measurement equipment.

2. The main contents of the difference between reportable segment profit (loss) and operating income

(Millions of yen)

Profit	Amount
Total of reportable segment	4,618
Profit in Others	89
Elimination	(0)
Operating Income	4,706

(6) Notes if there is a remarkable change in the amount of shareholders' equity:

Non applicable

4. Supplementary information

Orders received condition

(Millions of yen)

Reportable segment	Six months ended September 30, 2010 (April 1, 2010 to September 30, 2010)	Six months ended September 30, 2011 (April 1, 2011 to September 30, 2011)	Change	
	Orders received	Orders received	Orders received	
			Amount	Ratio(%)
Building Automation	60,623	76,177	15,554	25.7
Advanced Automation	43,068	44,867	1,799	4.2
Life Automation	17,565	16,576	(988)	(5.6)
Total of reportable segment	121,257	137,622	16,364	13.5
Others	2,802	2,052	(750)	(26.8)
Elimination	(839)	(1,135)	(295)	—
Consolidated	123,220	138,539	15,319	12.4